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Official Report of Debates (Hansard)

Thursday 3 December 2009

Standing Committee on Finance and Economic Affairs

Ontario Tax Plan for More Jobs and Growth Act, 2009

Chair: Pat Hoy
Clerk: William Short

Assemblée législative de l'Ontario

Première session, 39e législature

Journal des débats (Hansard)

Jeudi 3 décembre 2009

Comité permanent des finances et des affaires économiques

Loi de 2009 sur le plan fiscal de l'Ontario pour accroître l'emploi et la croissance

Président : Pat Hoy
Greffier : William Short

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Thursday 3 December 2009

Jeudi 3 décembre 2009

The committee met at 0802 in room 151.

SUBCOMMITTEE REPORT

The Vice-Chair (Mrs. Laura Albanese): Good morning, everyone. Colleagues, I call to order this meeting of the Standing Committee on Finance and Economic Affairs to consider Bill 218, An Act to implement 2009 Budget measures and to enact, amend or repeal various Acts.

I would like to invite Mr. Arthurs to please enter into the record the subcommittee report.

Mr. Wayne Arthurs: Chair, your subcommittee met on Tuesday, December 1, 2009, and Wednesday, December 2, 2009, to consider the method of proceeding on Bill 218, An Act to implement 2009 Budget measures and to enact, amend or repeal various Acts, and recommends the following:

(1) That, pursuant to the order of the House dated December 2, 2009, the committee hold public hearings in Toronto from 8 a.m. to 10:15 a.m. and from 2 p.m. to 6 p.m. on Thursday, December 3, 2009, and from 8 a.m. to 1 p.m. on Monday, December 7, 2009.

(2) That the committee clerk, in consultation with the Chair, post information regarding public hearings on the Ontario parliamentary channel and the committee's website.

(3) That interested parties who wish to be considered to make an oral presentation contact the committee clerk by 3:30 p.m. on Wednesday, December 2, 2009.

(4) That the committee clerk be directed to commence scheduling of witnesses on a first-come, first-served basis.

(5) That, if necessary, the members of the subcommittee prioritize the list of requests to appear that have not been scheduled by the deadline of 3:30 p.m. on Wednesday, December 2, 2009, and return their prioritized lists to the committee clerk by 4:30 p.m. on Wednesday, December 2, 2009.

(6) That witnesses be offered 10 minutes for their presentation, and that witnesses be scheduled in 15-minute intervals to allow for questions from committee members.

(7) That the deadline for written submissions be 5 p.m. on Friday, December 4, 2009.

(8) That, pursuant to the order of the House dated December 2, 2009, amendments to the bill be filed with the clerk of the committee by 12 noon on Monday, December 7, 2009.

(9) That, pursuant to the order of the House dated December 2, 2009, the committee meet at 2 p.m. on Monday, December 7, 2009, for clause-by-clause consideration of the bill.

(10) That the committee clerk, in consultation with the Chair, be authorized prior to the adoption of the report of the subcommittee to commence making any preliminary arrangements necessary to facilitate the committee's proceedings.

Chair, that is your subcommittee report.

The Vice-Chair (Mrs. Laura Albanese): Are there any questions or comments?

Ms. Lisa MacLeod: I do have a few comments, Madam Chair, and I appreciate you allowing me to put our point of view forward. I just want it stated, for the record, that the official opposition has consistently requested additional hearings throughout the province.

When we first met as a subcommittee, we did put forward another motion that would have allowed this committee to travel to a total of 10 different communities over a period of three weeks, right through to January 2010. We feel that this process has been incredibly rushed. Not only is this process rushed and debate and public hearings have been stifled by the government, but simple issues like advertising in community papers and even the National Post and Globe and Mail were cut off by the government because we were unable, based on the timelines, to adequately advertise these hearings.

I'm grateful to the stakeholders and Ontarians who were able, in such a short period of time, to make their presence felt by either contacting the clerk to speak directly to this committee orally or to provide a written submission in the very short and condensed time frame.

When we look at some other bills in this chamber, it has taken upwards of six months to not only introduce the bill and go through the various stages of different readings but also to complete committee hearings. This is unprecedented, for a tax change that the government suggests is the most major of its kind in our province's history, to not speak to the Ontario public in a cohesive way.

Again, on behalf of the official opposition, I want to register our discontent. Having said that, we do look forward to hearing from Ontarians who are going to be coming in today and who are going to be coming in again

Monday. I can assure members opposite that we will have substantive amendments coming forward that we will file with the clerk on Monday.

The Vice-Chair (Mrs. Laura Albanese): NDP caucus?

Mr. Michael Prue: If I could too, I have to, as well, express the disappointment of the New Democratic Party in the entire process.

This has not been a secret. Last March, the finance minister stood in his place and announced that he was going to come in with legislation for HST. He waited until November before bringing forward this substantive bill and then announced that there was a rush because he had to have the legislation in place for January 1. The entire rush, the entire rationale for having to do what has happened to this committee and has happened in the Legislature entirely rests with the government. There was no logical reason to wait from March until November to introduce the bill so that we could begin. And there was absolutely no logical reason from the outset to refuse to have public hearings until the arms were twisted and a procedural motion was used in the subcommittee in order to force midnight hearings.

I am profoundly disappointed. For such a major tax policy, the government was either unaware or, more likely, unwilling to involve the public in debate. I am thankful that as things transpired, we are going to hear from most of those who had the opportunity, given 12 hours' notice, to put their names in and to be heard. I hope that the government heeds what they have to say.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Mr. Prue. The government side.

Mr. Wayne Arthurs: Very quickly, Chair, your subcommittee report is the result of agreement among the subcommittee members under and including the direction of the House. We're happy to proceed with a vote on the subcommittee report.

The Vice-Chair (Mrs. Laura Albanese): Mr. Klees would like to make a further comment.

Mr. Frank Klees: Further to my colleague's comments, I just want to, for the record, say how disappointed I am as well that there has not been more opportunity for public consultation. I want to speak to the fact that repeatedly over the last number of weeks we've heard from the Premier, from the Minister of Finance and others defending the government's position on not extending public hearings by saying that meetings have been held across the province on the HST. I have attended some of those, and it was very clear that this was not public consultation; these were lectures, many of them by the Minister of Revenue. They were essentially a promotion, strictly, of the government's position. There was little, if any, opportunity for public response, for a challenge of the government, for stakeholders and ordinary Ontarians to put forward their concerns and their questions. Those are not consultations.

0810

What we're about to engage in here are consultations which allow stakeholders to bring forward their concerns and the potential impact of this tax. I'm extremely disappointed that we're so limited.

I do have one further question, and that is whether or not these hearings beginning now are being televised. Can you confirm that they are?

The Vice-Chair (Mrs. Laura Albanese): I confirm that they are. This room is televised.

Mr. Frank Klees: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Any further comment?

Ms. Sylvia Jones: Chair, just briefly. On the same issue, I think what you're seeing here with the number of concerns that everyone in opposition has raised, and in the past two weeks what has been raised in the Legislature itself, is an indication of the frustration that we are feeling as opposition members not being able to represent the individuals in Ontario who do want to present their views on a very important taxation bill. It is an unfortunate way to proceed with legislation that is ultimately going to change how Ontario does business in the foreseeable future.

The Vice-Chair (Mrs. Laura Albanese): Further comments?

Ms. Leeanna Pendergast: I just wanted to take a chance this morning as well to complement—that's complement with an "e"—the discussion and add that I am actually very grateful that, since March, I've had the opportunity in my riding to hold public consultations. I truly believe that members of provincial Parliament, regardless of party stripe, all have an obligation to share information. Being an educator, two-way interactive communication is absolutely essential and crucial, and we have that obligation as members of provincial Parliament to provide that discussion.

I have had the opportunity in my riding to meet with seniors all summer continuously up until the present time and share with them that we're doubling the senior homeowners' property tax grant, and continued that communication, which I believe, for the record, that this government has done and done quite well.

Ms. Sylvia Jones: Chair.

The Vice-Chair (Mrs. Laura Albanese): One second, please. First of all, I would like to remind all members of the committee that in two or three minutes we should be proceeding with the first presenter.

Ms. Sylvia Jones: Just one comment: With all due respect, I'm not sure how you're supposed to do public consultation when the bill wasn't even presented. This bill hasn't been tabled. So how do you do public consultation on a piece of legislation that didn't even exist is a—

The Vice-Chair (Mrs. Laura Albanese): Any further comment?

Mr. Norm Miller: Madam Chair.

The Vice-Chair (Mrs. Laura Albanese): Yes. I did see Mr. Naqvi raising his hand before yours.

Mr. Yasir Naqvi: Thank you very much, Madam Chair. I appreciate you chairing these meetings. As we know, the budget was presented back in March, and all

the details associated with the tax changes, the reforms which the government has put forward, have been clearly detailed in that package.

I can assure you, at least as the parliamentary assistant to the Minister of Revenue, that I have been travelling across the province in all ridings, not just ridings which are held by the government but also ridings that are held by the opposition parties, and have been holding consultations. They have not been mere lectures. They have actually been question-and-answer sessions where people who have been opposed to the changes, people who agree with the changes—all who have come forward have presented. I have received submissions. I've held meetings in all types of public fora. So there have been extensive consultations that have gone on across the province over the months since March. Besides the budget document and the documents around the fall economic statement, there has been ample information that has been circulated and discussed. It's time that we actually legislate those changes to ensure that we are providing a real stimulus to our economy in Ontario.

The Vice-Chair (Mrs. Laura Albanese): Mr. Miller?

Mr. Norm Miller: Madam Chair, I know you want to get on to listening to people, but I'd just like to disagree with the member of the government. As the critic, I can say that I received the details of this bill, which is quite substantial, a mere few weeks ago. Despite the fact that it was announced back in March, we really just got all the information a mere few weeks ago.

I would also like to register how disappointed I am that the government is going through the motions of public hearings but has made it very challenging for the people of Ontario to actually be heard. I would get on the record the fact that with the recent disruptions in the Legislature, the opposition was bargaining for—and in the end, would have settled for—but one day outside of Queen's Park to let the people be heard. The government wouldn't even agree to that.

I would also like to point out that we just recently received the transition rules, which I've had many people contacting me about, and just in November we learned about some of the new exemptions to do with the implementation of the HST.

So this is a substantial bill, and I do want to go on record as being very disappointed that the government doesn't seem to be willing to listen to people and to take the time to travel around to a few communities. I think the date the HST really needs to be passed by is March 31, so there's lots of time, from now until then, to take the time to listen to the people.

The Vice-Chair (Mrs. Laura Albanese): Further comments?

Ms. Lisa MacLeod: One final question, which I'm going to preface with a comment: Public hearings that are transcribed and are open to every Ontarian are different from a government holding meetings with Liberal-friendly stakeholders.

That said, I'd like to make a request on behalf of the official opposition. The MPP for Ottawa Centre said that they have documents and they've received feedback through their consultations. I would like the government to table those consultations with the committee clerk and I would like those to be tabled no later than Monday morning. If that can't be accommodated, then I think that the bravado across the way is just that. So we'll look forward to seeing those documents on Monday morning.

The Vice-Chair (Mrs. Laura Albanese): Any further comment? Yes.

Mr. Frank Klees: Just further to that—because I'm going to doubt very seriously that this committee will see any of the feedback that it is purported the government received—if we don't have a tabling of that information with the committee, at the very least what we should have is an explanation for the committee as to why that information is not being made available to the committee and, through the committee, to the public.

The Vice-Chair (Mrs. Laura Albanese): Any further comment?

Mr. Michael Prue: If I could, a motion would be able to do that, I'm pretty sure. So I would move that the government provide to the clerk the documents that they have collected in the 160 claimed meetings be filed with the clerk and be transmitted to the members of committee.

Ms. Lisa MacLeod: Madam Chair, I think that the request was sufficient. I don't think we need to go through a motion. I've requested something, and as a member of the committee I'm entitled to it. So I expect that the Liberals will accommodate it.

The Vice-Chair (Mrs. Laura Albanese): I'm advised by the clerk that a request is sufficient.

Any further comments? Shall we move to the vote on the subcommittee report? All those in favour? Opposed? Carried.

ONTARIO TAX PLAN FOR MORE JOBS AND GROWTH ACT, 2009

LOI DE 2009 SUR LE PLAN FISCAL DE L'ONTARIO POUR ACCROÎTRE L'EMPLOI ET LA CROISSANCE

Consideration of Bill 218, An Act to implement 2009 Budget measures and to enact, amend or repeal various Acts / Projet de loi 218, Loi mettant en oeuvre certaines mesures énoncées dans le Budget de 2009 et édictant, modifiant ou abrogeant diverses lois.

The Vice-Chair (Mrs. Laura Albanese): We will now move to the presentations, and I'd first of all like to welcome all the members and the various submitters and presenters, those who are here. As well, we know that many have submitted written reports.

Just to inform you of the protocol, all presenters will have 10 minutes in which to make their presentation. There will be up to five minutes of questioning following that. The first round of questioning will go to the official opposition, the second to the third party and the third

round will then go to the government side, and we shall continue in that rotation.

YCC 266

The Vice-Chair (Mrs. Laura Albanese): I would like now to invite our first presenter to please come forward: Mr. Gerald Gibson, representative of several thousands of condominium units.

Mr. Gerald Gibson: These documents are to be passed out to the members.

The Vice-Chair (Mrs. Laura Albanese): Your document has already been passed out to all the members of the committee. Just for protocol—and this is for everyone else who would follow—I would please ask you to introduce yourself and, for the purposes of Hansard, to state your name.

0820

Mr. Gerald Gibson: My name is Gerald Gibson. I'm a member of the board of directors of YCC 266 in Etobicoke and I'm the chair of the communications committee of that condominium. We've been working on this issue for quite some time and have addressed it with our MPP, who happens to be a cabinet minister. Obviously, we didn't get quite the reception that we wanted there, so I'm here.

I am here this morning to discuss an issue of fairness with respect to the application of the harmonized sales tax.

In September, I attended a meeting of the Association of Condominium Managers of Ontario at which Mr. Yasir Naqvi was a presenter. He provided the government's perspective of the HST and informed his audience quite clearly that this tax would increase the cost of living for all residents of this province.

I'm a director, as I mentioned, at YCC 266. We're a 496-unit condominium corporation called The Masters. At the present time, we have a campaign going on to involve other condominium corporations throughout the province. We were led to believe by our MPP that the negotiations on this bill would extend through the winter and so our campaign was originally to extend until December. At the present time, we represent about 4,000 units, but more condominium corporations are coming on board on a daily basis.

While condominium unit owners are actively engaged in initiatives that enable the government to achieve its goals of higher-density housing, reduced demand for energy and lower environmental footprints, we think that we are being penalized rather than credited for our efforts.

We realize that the HST will apply to all residents of the province, regardless of the type of housing they occupy. However, our analysis indicates that it will apply most unfairly to condominium owners. All homeowners, both in houses and condos, will pay more for utilities, repairs and improvements. But, by their very nature, condominiums can only be operated successfully through the hiring of contracted services such as management, groundskeeping, waste management, security and pest control, and there are many more. In fact, legislation actually requires condominiums to hire auditors, reserve fund study specialists and fire safety equipment inspectors, for example. We have no option there. We have to hire those people. These are all services on which only 5% GST is currently charged and they are services that generally are not required by the owners of individual houses.

While the costs for contracted services also apply to the owners of rental apartments, those owners are able to write off their costs against their incomes since they are for-profit businesses. Condominiums are not able to write off these same costs because they are classified as non-profit organizations.

It is estimated that the additional costs to individual condominium owners as a result of the harmonized sales tax will be in the range of 6% to 7%. Government mitigation funds will apply to everyone in the province, yet only condominium owners will see such a large increase in their housing costs. With respect to the mitigation of costs, which our MPP has emphasized several times with us, a major point the government makes is that the overall tax burden on corporations will drop by about 18%. This, of course, is the biggest argument for the introduction of an HST to replace the PST—the elimination of double taxation on inputs that corporations use. We are not questioning the calculation by the finance ministry on the overall 18% tax reduction for corporations, which will be able to claim back in 2010 all HST paid as an input cost. I wish to point out how the HST impacts condominiums on contracted services very differently than corporations, the result of which is a great increase in the overall tax burden condos will face.

I've just given a little example of Bell Canada. Currently, all customers of Bell Canada pay GST and PST on their phone bills, and Bell also pays GST and PST on inputs such as wires, vehicles, computers and transmission equipment that they buy. They get the GST refunded, but the PST is effectively charged on both the inputs and the final sale to their customers. We've been told that this is in the region of about $100 million. We are confident that the savings realized by the elimination of this double PST taxation will actually flow back to customers. We're not disputing that. But, of course, as a condominium, telephone service is a very small part of the condominium's operating expenses.

Currently, services are exempt from the PST, but they do attract GST. All the previously mentioned services have to be purchased by a condo but are mostly not purchased by a single-family homeowner. These services currently do not have a provincial tax on them; they only have the GST.

Services that in 2010 will be taxed at 13%, rather than 5%, are also used by companies, be they retailers, wholesalers, manufacturers, warehouse operators or office buildings. The huge difference is that they can get a full refund on the HST, as they do now on the GST, for all these services are deemed to be inputs and the HST

will be fully refundable. This is the major source of the corporate tax reduction because currently they do not get a rebate of PST paid on inputs. The only major economic entities in Ontario that will be stuck with paying the 13% are condos, as we cannot apply for a refund on the HST.

Now, you may suggest that there are many taxes that contract service suppliers now pay to Ontario that will no longer apply and that we should be able to obtain rate reductions to offset the added 8% HST. I would urge you to ask the question, "Are services exempt from PST, as electricity, gas and water are currently?" Of course, the answer is, yes, they are.

I'm going to give you an example from my corporation. This is a $250,000 annual bill for the supply of security guards. It does not have a provincial tax or charge on the gross bill, and they are exempt from PST. We only pay GST on that bill. The supplier does not pay tax on inputs, and those are things like uniforms, computers, office supplies and the like. There is, however, no tax on the biggest cost, which is the salaries and fringe benefits of both direct and overhead employees. We agree that no jurisdiction would want to tax labour costs to make the economy less competitive. In the case of the provision of security guards, less than 10% of the total costs of the supplier are inputs that currently attract PST. The same would hold true for landscaping, management and the other aforementioned services, which, again, are mostly people-based. Those are labour-intensive services.

Now, I've given you an example, and it's right in front of you. The item I talked about is the provision of security guards to a condo. The total amount of the bill is $250,000. The items that the supplier pays PST on now, such as uniforms—10% of that $250,000 is $25,000; the HST, after July 1, 2010—$250,000 times 13%—is $32,500. So the increased HST going to the province of Ontario, at 8% of $250,000, is $20,000. The PST that the supplier saves on inputs—$25,000 at 8%—is $2,000.

So as can be seen from that realistic example, there is only a 10% saving of the added HST paid possible—

The Vice-Chair (Mrs. Laura Albanese): Mr. Gibson, I would just like to remind you that we have about 50 seconds left.

Mr. Gerald Gibson: Okay. Well, you've got my example there. You can read it for yourself, I guess. Did you have a—sorry.

The Vice-Chair (Mrs. Laura Albanese): No, you can continue.

Mr. Gerald Gibson: All right. I'll skip further down, then.

In summary, there may be an average 18% reduction in taxes that Ontario-based corporations pay the government of Ontario, but the impact on condos is that they will not see any such reduction, for currently services do not attract PST. The only savings possible, such as the $2,000 in my example—and that will be offset by an additional $18,000 cost for us to the government—are on inputs that the supplier currently purchases that have PST on them. This excludes payroll costs. Surely you will agree that it would be fair if contracted services to condominiums received an exemption in the HST legislation.

0830

This is not a request for complete HST exemption for condominium unit owners. Condo owners are good citizens and are prepared to support the government's initiatives to keep the province of Ontario competitive in a global marketplace. They simply want to be treated fairly.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Mr. Gibson. I'm sorry, but the time is up. I really have to enforce strict time, so I would now ask the official opposition to proceed with questions.

Ms. Lisa MacLeod: Thank you, Chair. I'll be splitting my time with my colleague from Parry Sound–Muskoka.

Thank you very much, Mr. Gibson. It was really important for you to come in here today to show the profound impact that the HST is going to have on condominiums.

You mentioned your MPP several times. I didn't quite catch the name of the MPP and cabinet minister.

Mr. Gerald Gibson: Donna Cansfield.

Ms. Lisa MacLeod: It's Ms. Cansfield.

I just want you to know that the official opposition supports your statement that there should be an exemption in the HST legislation for contracted services to condominiums, and we will be putting forward an amendment with regard to that. So I just wanted to be clear.

It was pointed out to me by my colleague from Newmarket–Aurora, and you may want to correct the record, that you made a statement that the supplier does not pay taxes on inputs. You may want to correct the record, that the supplier does pay taxes on inputs, as it is in your notes.

Mr. Gerald Gibson: I did say in my written output that they do.

Ms. Lisa MacLeod: Okay.

Finally, what do you think the dollar figure—you said that it is going to cost you 6% to 7% more as a condominium owner. Can you give me a dollar figure on what that will cost you?

Mr. Gerald Gibson: In our corporation we anticipate that it will cost us approximately $50,000 more only on contracted services to deal with this tax. In my particular case, my fees are 800-and-something dollars a month, so you can figure out 6% of that very easily. It is another $50 a month—$600 a year. It affects different people differently, depending on the size of their condominium unit, the way their corporation is structured and so on.

Ms. Lisa MacLeod: So you'll be paying an extra $600 a year on fees and you'll be paying an additional 8% more on your home heating, your Internet access fees, the fuel in your car. It is estimated by the Progressive Conservative caucus that the hardest-hit after seniors will probably be people living in a condo, and in many cases, those are seniors as well.

I'm going to cede the floor to my colleague.

Mr. Norm Miller: Certainly. Thank you for your presentation today. As you've stated, you estimate the cost increase to be 6% to 7% for individual condo owners.

Mr. Gerald Gibson: That's correct.

Mr. Norm Miller: Okay. You stated in the beginning that Mr. Naqvi came around and made a presentation—

Mr. Gerald Gibson: Yes, he did.

Mr. Norm Miller: —to your condo association. And it sounds like he was at least a little bit up front. He stated that the cost of living would be going up with the passage of this bill.

Mr. Gerald Gibson: He was quite frank.

Mr. Norm Miller: I'm pleased to see that the government is being up front and letting people know that costs will increase for condo owners.

You also stated that your MPP led you to believe that there would be a longer process of consultation and a longer process of implementing the bill. Is that correct?

Mr. Gerald Gibson: We had a meeting with our MPP on October 14, at which time we presented to her a petition of 310 signatures from our condominium corporation only.

Mr. Norm Miller: And that was Donna Cansfield.

Mr. Gerald Gibson: Yes, it was. And we were informed that a response from the government would be forthcoming in 24 days of sitting. We were told that that would not come until about the end of February, which led us to believe that the meetings on this were going to be continuing throughout the winter.

Mr. Norm Miller: Do you have a record of that?

Mr. Gerald Gibson: Yes.

Mr. Norm Miller: If you could table that with the committee, that would be appreciated.

Mr. Gerald Gibson: All right.

Mr. Norm Miller: For Monday, if that's possible.

Finally, as a condominium, you're not able to take advantage of the input tax credits that another business will be—

Mr. Gerald Gibson: No, we're not.

Mr. Norm Miller: Because most of your costs are wages for things like security guards, and because you're a non-profit corporation—

Mr. Gerald Gibson: Correct.

Mr. Norm Miller: —you're not able to benefit from that.

The Vice-Chair (Mrs. Laura Albanese): There's a minute left.

Mr. Gerald Gibson: That's right.

Mr. Norm Miller: So it's just an extra cost. Okay, thank you. Frank?

The Vice-Chair (Mrs. Laura Albanese): We have less than a minute left.

Mr. Frank Klees: Thank you for your presentation. You've made what I consider to be a very reasonable request to essentially put you on a level playing field with others who will be forced to pay this HST, and that is to provide an exemption for contracted services. Have you had any indication from this government that they're willing to consider that? If you haven't had any indication, can I suggest to you that you get back to your MPP, in writing, and ask her for precisely that?

The Vice-Chair (Mrs. Laura Albanese): A quick answer, please.

Mr. Gerald Gibson: We've done that. Her response to us was that she was really moving in a different direction. She was hoping that she would have an opportunity to have home heating fuel exempted. She didn't really give us the impression that our position would be supported.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Mr. Gibson, for your presentation. I'm sorry; the time is up.

CERTIFIED GENERAL ACCOUNTANTS OF ONTARIO

The Vice-Chair (Mrs. Laura Albanese): We will now invite Mr. Doug Brooks, chief executive officer of the Certified General Accountants of Ontario. I would invite him to take his seat. Thank you and welcome. You've seen the protocol: 10 minutes in which to make the presentation. I would respectfully ask that you begin now. If anyone else is to speak, please state your name for the purposes of Hansard.

Mr. Doug Brooks: Thank you, Madam Chair. I would like to thank the honourable members of the Standing Committee on Finance and Economic Affairs for granting the Certified General Accountants of Ontario the opportunity to speak with you today.

My name is Doug Brooks. I'm the CEO of CGA Ontario. I'm here with fellow CGA Diane Gaudon representing the association, 19,000 CGAs and 8,000 aspiring professional accountants who are currently enrolled in the CGA program of professional studies. Let me begin by providing you with some background on CGA Ontario and clearly outlining the skill level of the certified general accountants.

CGA Ontario is a self-governing body that grants the exclusive rights to the CGA designation and controls the professional standards, conduct and discipline of its members and students in the province of Ontario.

CGAs follow the profession's generally accepted accounting principles and generally accepted auditing standards. They adhere to a national code of ethics and rules of professional conduct. They meet ongoing professional development requirements, and those in professional practice carry mandatory liability insurance. We are a self-regulating body and take our duty to protect the public interest very seriously.

Certified general accountants are accounting and finance professionals with a difference. They've been trained to look beyond the numbers, drawing on their broad learning and individual strengths to facilitate problem-solving and provide leadership across industries and within changing business realities. Some prominent certified general accountants that you may be familiar with include the Globe and Mail's Report on Business's just-announced CEO of the Year, Sergio Marchionne,

president and CEO of Fiat; Joe Pennachetti, city manager for the city of Toronto; MPP Bruce Crozier; and MP Yasmin Ratansi—a diverse group indeed.

Now on to the HST. Diane and I are here today in support of the new harmonized sales tax initiative and the benefits that it will bring to Ontario's economy.

Diane Gauden is the author of CGA Ontario's newly released HST booklet, a complimentary resource for businesses to help them prepare for and successfully transition to the single harmonized sales tax in 2010. I think you've all got a copy of that.

The government has said that the implementation of a single sales tax would bring Ontario into line with what is viewed as the most efficient form of sales taxation around the world, and CGA Ontario agrees. We believe the HST will benefit businesses within Ontario and enable Ontario business to be more competitive. It will ease administration costs for compliance and make it easier, which usually results in more compliance.

CGA Ontario is a member of the recently formed Smart Taxation Alliance, a non-partisan coalition of business leaders and organizations, which is pleased to see legislation that will put into place the tax reform measures announced in the 2009 Ontario budget. This alliance is comprised of members representing a cross-section of the Ontario economy, including the Ontario Chamber of Commerce, Retail Council of Canada, Canadian Manufacturers and Exporters, the Canadian Council of Chief Executives, TD Financial, RIM and many more.

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CGA Ontario was also a strong advocate for the HST in the 2009 pre-budget submission process, and we are pleased to see the government implementing a policy that key stakeholders have advocated for.

Talking about some of the advantages of the HST: A value-added tax system such as HST is a model that has been implemented by many countries and several Canadian provinces. A single harmonized sales tax will offer many advantages to Ontario businesses and consumers, ranging from simplifying tax compliance for businesses, which will save an estimated $500 million annually in reduced administrative costs, to eliminating approximately $5 billion in embedded provincial sales tax that businesses absorb annually. It is anticipated that 80% of business savings will flow through to consumers within one year of implementation.

The combination of sales tax harmonization, the reduced corporate income tax and the elimination of capital tax is expected to result in 591,000 net new jobs and a $47-billion increase in capital investment within 10 years. There will also be $1.1 billion in income tax cuts by reducing the first rate from 6.05% to 5.05% in 2010 and by reducing the rates for small business from 5.5% to 4.5%, thereby helping small business thrive in Ontario. The combination of these two tax initiatives will create more jobs, generate consumer spending, reduce administration costs of two separate taxes and ultimately lower costs for consumers.

Business clients will be able to claim input tax credits for the HST they pay in the course of their commercial activities. From our perspective, there are three key benefits to Ontario businesses in support of HST: tax simplification, reduced cost and increased investment coupled with job creation.

Tax simplification: What is key for businesses to understand is that this is not about the creation of a new tax; it's the elimination of a tax and an expansion of an existing one. HST will bring one harmonized tax base, not two separate ones; one tax return; one tax return period—currently GST and PST operate on different cycles; and one audit. Tax compliance should increase as tax systems are simplified. Most goods are currently subject to both GST and PST for a combined 13% sales tax. As such, the change to a harmonized sales tax of 13% will have little impact on those goods and services. Businesses will be able to reduce costs to administrative savings along with the ability to claim the full amount of sales tax paid—in most cases. Savings should then be passed on to the consumer, creating a more competitive marketplace for businesses.

Furthermore, competitive businesses that pay less tax will have the ability to invest more heavily in capital goods, hire more workers and cut prices on what they produce. By converting the PST into a value-added tax and harmonizing with the GST there will be a significant reduction in the cost of goods that Ontario exports. This will also drive a more competitive marketplace. Under the current system, businesses may not deduct the PST from the cost of materials and other products they buy; instead, they pass the embedded cost along to consumers. But under harmonization, businesses may claim tax credits for those purchases, with some estimates suggesting that the savings could be $5 billion a year, as previously identified. The Ontario Chamber of Commerce believes that a fully blended system would cost consumers approximately $905 million in sales taxes per year, while the GST and PST bill for companies would fall by $1.6 billion annually.

Some more statistics supporting cost reduction: 80% of the cost savings are expected to be passed on to consumers within one year; 95% of the cost savings should be passed along within three years; 83% of goods and services will have no change in sales tax status.

The Atlantic provinces experienced an overall price reduction of 0.3% with a harmonized sales tax. The Atlantic provinces have seen a strong return on investments since implementing a single harmonized sales tax. Ontario should do at least as well. In the Atlantic provinces, after harmonizing taxes, per capita investment rose 11%, and they saw a 12% increase in machinery and equipment investment compared with the year prior to harmonization.

As the province prepares for implementation and transition of the new harmonized sales tax, it's important to keep in sight these important benefits. The HST will truly fuel a stronger business investment climate in Ontario, create jobs and accelerate Ontario's recovery. A strong economy is good for every Ontarian.

From our perspective, the timing of the implementation of the HST is right. As businesses recover from the challenges of the past few years, they will be looking for the most efficient and cost-effective places to do business. We want that place to be Ontario. We strongly encourage Ontario businesses to take the initiative to be proactive in preparing for the implementation of the HST. To help them, we've produced a comprehensive and easy-to-understand harmonized sales tax booklet that offers an HST overview addressing common questions and concerns for local businesses. An extensive Q&A document and a fact sheet have also been developed identifying key benefits to the new HST system. The booklet offers businesses a general checklist of things business should do to ensure that they are ready for the HST. I encourage you to stay the course and thank you for your time today.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much, Mr. Brooks. I would invite Mr. Prue to start questioning.

Mr. Michael Prue: You made the statement, and I assume you're quoting Jack Mintz—591,000 jobs. That has been disputed by the Ontario Chamber of Commerce, which says it's going to cost 40,000 jobs. Jack Mintz partially wrote that too. Who are we to believe—Jack Mintz the second or Jack Mintz the first?

Mr. Doug Brooks: As we consider all of the research that's available out in the marketplace, I think for us looking at past experiences the best predictor of the future where we've seen this implemented, in the Atlantic provinces specifically, that it ultimately has delivered on higher capital investment and has resulted in price reductions to consumers.

Mr. Michael Prue: But in the Atlantic provinces it never created a single new job. In fact, unemployment went up, did it not, following GST?

Mr. Doug Brooks: I don't know the answer to the question on the specifics.

Mr. Michael Prue: I put it to you: The empirical evidence in the three Atlantic provinces—Newfoundland, New Brunswick and Nova Scotia—that went ahead is that unemployment increased after they harmonized the taxes. In PEI, which did not do it, it had no real effect. Where is the empirical evidence? Is it only Jack Mintz? Is that your empirical evidence?

Mr. Doug Brooks: No. We're using research done by the C.D. Howe Institute as well as the Ontario Chamber of Commerce.

Mr. Michael Prue: The Ontario Chamber of Commerce said it's going to cost 40,000 jobs. Where is the evidence that jobs are going to be created? You've said "591,000"; where is the evidence?

Mr. Doug Brooks: Again, I think as part of the research that's been done, if you create an environment for business, particularly small business, that is friendly to business in terms of the tax structure—and we think the HST delivers on an improved tax structure as well as the integrated cuts to capital taxes and promotes an environment of capital investment. Capital investment drives the economy when you look at creating business structure, and business structure is going to stimulate job growth. When you look at our manufacturing sector, we've got to take a line in the sand and start to support that manufacturing base.

Mr. Michael Prue: Even in the Atlantic provinces, Nova Scotia reduced its component of the provincial sales tax by 3%, New Brunswick by 3% and Newfoundland by four full percentage points. Even then, that created no new jobs, and even then, that did not create any real expansion of the economy until the Hibernia oil field came on. Is that not the case?

Mr. Doug Brooks: Again, I don't have access to the numbers that you're quoting, but I go back to our belief, and I think this has been supported over time, is that if business is healthy and the economy is growing, that's going to be good in terms of job creation, that that benefits—

Mr. Michael Prue: You say "our belief." I have talked to CGAs who do not share this belief. Have you polled your members? How have you determined that the members of which you speak are in favour of this, or is it just the author?

Mr. Doug Brooks: This is the position of our association, as supported by our board, who represent our members.

Mr. Michael Prue: Okay, this is the board that has made this decision, not the members.

Mr. Doug Brooks: On behalf of the association; that's correct.

Mr. Michael Prue: And you also stated that consumers can expect a 0.7% increase. What's in this for consumers? I hear what you're saying about what's in it for increased business profits; what is in this for consumers?

Mr. Doug Brooks: When you talk about a healthy business economy, the market ultimately delivers, in terms of a competitive environment, the ultimate best price to the consumer. So I think when we get rid of all those hidden taxes that consumers are ultimately paying now, those savings, through competition, get passed on ultimately to the consumer.

The Vice-Chair (Mrs. Laura Albanese): Forty-five seconds left.

Mr. Michael Prue: What has happened over the last number of years is that business executives—rich people—have become increasingly rich over the last 10 to 15 years using these kinds of economies. People have gotten poorer. How are people going to do better from this when every single indication for the last 20 years is that people will pay more taxes and get less in return?

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Mr. Doug Brooks: I have to go back to, again, the idea that a strong and healthy economy with strong and healthy businesses ultimately is a job creator, and I think that's good for Ontarians and for Canadians.

Mr. Michael Prue: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation.

POLICE PENSIONERS
ASSOCIATION OF ONTARIO

The Vice-Chair (Mrs. Laura Albanese): I would like now to move to the next presenter: Mr. Paul Bailey, president of the Police Pensioners Association of Ontario. Please take your seat, and again, please state your name for the purposes of Hansard. Welcome.

Mr. Paul Bailey: My name is Paul Bailey, and with me is Rick Metcalfe. We're retired police officers from York region.

The Vice-Chair (Mrs. Laura Albanese): Thank you. You may start your presentation now.

Mr. Paul Bailey: Committee members, my name is Paul Bailey and I'm president of the Police Pensioners Association of Ontario. Our association represents over 6,000 retired police personnel from many areas across the province, including Toronto, Peel, York, Durham, Hamilton, Halton, Niagara, Sudbury, Ottawa, Windsor, Sarnia and London. The Police Pensioners Association is also a member of the public sector retiree coalition, along with the Municipal Retirees Organization Ontario, MROO; the Association of Retired Professional Fire Fighters of Ontario; and the Police Retirees of Ontario, PRO. Together, our coalition represents about 25,000 retired municipal workers in the province of Ontario. The vast majority of our members receive an OMERS pension.

Our pension is indexed, as many of you may know. For 2010, our raise—our indexing fee, if you have it—is 0.37%. Yes, that's right: a 0.37% increase, yet when the HST comes into force we will be forced to pay 8%, which leaves us with a net loss of 7.63% before we can spend one dollar.

As many on the committee know, the coalition is opposed to the HST. The HST, if passed into law, will have a negative and harmful effect on those people who are the most vulnerable: senior citizens. Let's look at a couple of the new costs that will be inflicted on seniors.

Energy costs such as gas, home heating oil and electricity are not currently taxed under the PST but will be when the HST becomes law. StatsCanada reports that the average Ontario homeowner pays $2,047 a year in heating costs. Five per cent of that total is GST, so if that is subtracted and then the new 13% HST is added, the additional cost to all Ontarians, including seniors, will be $198. Round it up over five years and that's $1,000 for one of the increases.

The cost of gasoline is going up with the HST. Seniors don't just live in urban centres with public transit; they live in communities where a motor vehicle is their only means of transport. In some cases, the opportunity for seniors to utilize the services of domestic air, rail and commercial buses in rural communities will again be impacted by the HST. They'll be forced to pay an additional 8% on top.

Internet fees—which is very important—will increase by 8%. In many cases, given the age and health of seniors, the Internet is the most well-used and cost-effective way for seniors to communicate with their family and friends. In rural communities, the Internet has become a lifeline for community and medical support.

Let's talk about mutual funds for a minute—we just did. Seniors in the province, over the years, have invested heavily in the mutual fund business. Why? To ensure that they have enough money to look after themselves when their salary becomes a fixed income. These mutual fund companies manage the money we put into them and the investment returns are passed on to the unit holders: seniors. These mutual fund companies charge a management fee, which as you know is currently subject to the GST but not the PST in Ontario. Members of the committee, if this new HST passes and financial services are subject to this new HST, any mutual fund company in Ontario will increase the sales tax charged on its management fee from 5% to 13%. Simply put, the mutual fund management expense ratio will increase. Once again, it's seniors paying more out-of-pocket expenses at a time when they can least afford it.

Many seniors in this province have various types of disabilities that require them to request the services of plumbers, electricians, gardeners or other service providers. They will now be forced to pay additional taxes in order to maintain a reasonable lifestyle.

Even in death, the HST shows no mercy. Seniors will die and their families, those on fixed incomes and limited support, will now be forced to pay the additional costs associated with burying their loved ones.

Our question to the government is: Why are you targeting seniors?

A couple of years ago, this government introduced Bill 102 whereby they attempted to control the costs associated with providing seniors with drugs. We, the PPAO, offered support to this initiative but requested you slow down the process and not try to ram it through, because mistakes would be made. You failed to listen, and look what happened: massive fraud, with the loss of hundreds of millions of dollars. The Police Pensioners Association of Ontario asked you to call in the police to do an independent investigation to determine who was responsible. You refused. Now you have contracted a consultant for $750,000 to find ways of cutting costs. This consultant has been retained to review unacceptable practices in the professional allowance system of payments between generic drug companies and pharmacies. Once again, the seniors in this province will take it on the chin.

A percentage of our members live in condo units for a variety of reasons; some because they are unable to look after their property any longer or for health reasons. They thought that future costs were known at the time they purchased their unit. Now the HST changes all that. Maintenance costs will rise, as will the costs associated with their reserve funds.

Members of committee, we have heard about lowering personal income tax, senior rebates and the rebates being paid to individuals and families to offer a cushion to the blow that this tax will have, not just on seniors but all those living in Ontario. Many of us have spent consider-

able time in the House during question period and have listened to the government tell us how good this HST will be for us as individuals and as a province. We have been told by Jack Mintz that it's a great gift to this province. Committee members, with respect, we do not believe a word of it. This new tax will take more money out of pockets than we can afford. You know that and so do the seniors in this province.

Given that our time for presentations is extremely limited, I just want to talk about some solutions.

Give some thought to cancelling the new child education program for four- and five-year-olds. I think most Ontario citizens would support this initiative, but when we have a $24-billion deficit, we just can't afford it in today's financial times. Once the economy recovers, then re-implement the program, and I'm confident it will receive the widespread support of all Ontarians.

Review the use of consultants and limit their ability to participate in government projects. That alone would save hundreds of millions of dollars.

Call a full public inquiry into the eHealth initiative. Over a billion dollars was lost to this venture, and we should know why it happened so that we can prevent the same mistake in the future.

Offer full consultation in all areas of the province. It's incumbent on this government to listen to the views and ideas of taxpayers.

Our coalition will continue to oppose the HST. We will continue to educate and update our respective memberships on the impact this tax will have on their financial affairs, and we will see you at the next election because, as you know, of all large groups, seniors are the ones most likely to vote.

Thank you for allowing us this time to offer our thoughts on the HST.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Mr. Bailey, for your presentation.

I hear the bells ringing, so I'm going to wait for a confirmation—

Ms. Leeanna Pendergast: It's just the House starting.

The Vice-Chair (Mrs. Laura Albanese): Okay, so we can proceed with questioning from the government side, Mr. Naqvi.

Mr. Yasir Naqvi: Thank you, Mr. Bailey. Thank you, sir, for coming here today and giving your presentation and perspective on the HST.

I'm going to split my time with MPP Pendergast. I'm going to focus a few questions on the HST, and she'll be talking more about tax cuts for seniors, which are a part of the budget as well.

I just want to go through an assertion you made in your presentation about your indexed pension, which will see an index up 0.37%. You made the assertion that you'll be forced to pay an additional 8%, which will result in a net increase in things that you'll be paying for. Is that based on the assumption that every single dollar you spend is on things that do not attract the 8% PST right now?

Mr. Paul Bailey: Well, I'm not sure what you mean by your question, but what I was trying to bring forward is that, every year, OMERS and large pension funds do a calculation to determine the indexing. Of course, for the last couple of years, this province, as across Canada, has suffered terribly in the financial markets. I guess what I'm saying to you is, that 0.37% is the lowest raise, if you want to call it that, for a retiree in the history that I've had with the OMERS pension plan that I can recall—certainly in the last few years.

Basically, as of January 1, we'll get a raise of 0.37% on our pension. After that, on July 1, when you impose this HST on us, we're losing money out of our pockets before we even spend a dollar.

0900

Mr. Yasir Naqvi: The point I'm trying to make, Mr. Bailey, is: Do you realize that you're already paying the full 13% on 83% of your consumer spending today?

Mr. Paul Bailey: No, I don't totally agree with that.

Mr. Yasir Naqvi: You can look into it. Christmas is coming, and as you're spending money this season, perhaps start looking at all your receipts. You'll notice that you're already paying 13% pretty much on 83% of the things you're buying. So the debate, I think, which you're presenting is on the remaining 17% where you're only paying 5% and not the 8%. I would argue that by that calculation, the net loss is not going to be 7.63%. That number, as you presented it, is grossly misrepresented.

According to TD Bank, the net effect of uninflation is going to be around 0.7% only on prices, so I just wanted to make that point in terms of the assumption you're making.

Mr. Paul Bailey: Just to further answer you, I read in the papers and I hear in committee and in the House about Mr. Mintz and the TD Bank and the C.D. Howe Institute and all these people making these forecasts. If you take your mind back, the government believes a lot of things that ultimately don't turn out to be accurate or true.

I'll give you an example: As police officers, we rely on firearms. It's a safety issue for us. Back in 1995, I was in the room with Allan Rock, the then-justice minister, when he proposed a gun registry, and he told us all to our faces that the most it would cost was going to be $2 million. Well, 10 years later, it's $2 billion. So my point to you is, I have problems believing all these stats that government or these special-interest groups offer.

The Vice-Chair (Mrs. Laura Albanese): One minute 30 left for questioning.

Interjections.

Mr. Yasir Naqvi: Thank you, Madam Chair. I would appreciate it if the members don't waste our committee time by clapping and interrupting. Thank you.

I will ask member Pendergast—I think she has a few questions.

Ms. Leeanna Pendergast: Thank you, Paul, for being here. It's great to see you again. I want to start by

thanking you for your passion and your commitment on behalf of seniors.

Mr. Paul Bailey: Thank you.

Ms. Leeanna Pendergast: I have parents who are seniors who live in a condo, who pay Internet fees. Absolutely, I want to thank you for your passion and commitment. I'd love to comment, as a teacher, on your comments on the four- and five-year-old children and the child education, but we can do that elsewhere.

I did want to, however, refer to where you say on page 2: "Our question to the government is: Why are you targeting seniors?" I'd like to address that by saying that we are targeting tax cuts for seniors as well. Again, as an educator, I think it's so important that we're informed of all of the details. I would refer you to this. I'm sure you've taken a look at it. Do you have a copy of this?

Mr. Paul Bailey: No, not with me.

Ms. Leeanna Pendergast: If you go through pages 9 to 12, there's a whole section on tax cuts for people—$10.6 billion in tax relief, and it talks about seniors in there. As well, what I thought might be helpful is to take a look at page 24: the single-senior pension income and how it has been put out over the years.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Ms. Pendergast.

Ms. Leeanna Pendergast: So seniors will see the impact of the HST in the first year—about $185.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Ms. Leeanna Pendergast: So what you're saying is true, but if you take a look at this—I want to make sure that we make this available to you and to your group. That would be helpful.

The Vice-Chair (Mrs. Laura Albanese): Thank you. The time for questioning has ended. I thank you very much for your presentation.

ONTARIO HOME CARE ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I will now call now on the next presenter, Susan VanderBent, executive director of the Ontario Home Care Association. Again, please repeat your name for the purposes of Hansard recording. Thank you very much.

Ms. Sue VanderBent: Good morning, everyone. My name is Sue VanderBent and I'm the executive director of the Ontario Home Care Association. Thank you for inviting me this morning. I'm here today to ask the standing committee to consider creating an Ontario home care rebate to prevent additional costs to the people who must purchase private home care to top up the publicly funded home care system in Ontario.

Most people don't realize that the proportional spending for home care in Ontario is less than it was in 1998. At that time, it was 5.4% of the health care budget. We estimate, from industrial polling of our own, that 150,000 Ontarians purchase hours of care every year. We estimate that last year they purchased 20 million hours of care, which is almost the equivalent of the publicly funded system in Ontario.

As you know, home care is a publicly funded and not a publicly insured service, and I'm not here today to really address that.

In Ontario, the publicly funded home care system falls under the jurisdiction of the Ministry of Health and Long-Term Care, and it's locally administered by the community care access centres.

Ontario's provincial home care program is vital to supporting the publicly insured health care system. It enables the early discharge of people from hospitals and the premature institutionalization of people in long-term-care homes. For the overwhelming majority of people who want to stay at home, home care is both cost-effective and health-effective.

In the publicly funded system, in 2008 approximately 570,000 individuals received 26,000,485 hours of care at home, funded through the Ministry of Health and Long-Term Care. As I said, the Ontario Home Care Association estimates that about 150,000 Ontarians purchase an additional 20 million hours or visits of home care in order to remain at home.

The harmonized sales tax will place an additional financial burden on the thousands of Ontario families who purchase home health care services. The government's intent to harmonize federal and provincial sales tax to a single 13% HST creates an additional tax both on and for health care services. Specifically within home care, individuals who supplement government-funded home care privately through insurance or through out-of-pocket expenditures will be required to pay that sales tax. The Ontario Home Care Association estimates that the harmonized sales tax will place an additional $260 to $350 annual cost burden on those individuals.

Privately purchased home care services provide the vital few hours of care and respite to families who continue their caregiving responsibilities while many are raising their own children and holding a job.

Ladies and gentlemen, I am one of those people, and I think maybe some of you might be too. My family pays privately, over and above the publicly funded home care system, to keep our father—who is 86 years old, legally blind and very frail with arthritis—safe at home. Right now, as we speak, probably, the personal support worker that we are paying for is helping him get up and get going for his day.

Later in the day, a CCAC personal support worker will come in to give him the one bath that he is entitled to this week.

We pay for this care because we love our father and he wants to stay in his own home. He still enjoys the independent life that he has in his own home with his family and his friends, but he does need an additional amount of care that the publicly funded system cannot provide right now, due to the kinds of economic constraints that we all know the system is undergoing.

We aren't arguing with that, as a family. We believe that our contribution is keeping our father healthy and out of the ER, out of the hospital and out of long-term care. We do not think it is right that we should be paying additional costs for this necessary and valuable service.

Furthermore, for families who cannot afford this—and there are many who cannot—this could be the financial breaking point for some seniors and it can be a disincentive to staying at home. People just give up. Many simply will turn to the publicly funded system, to the ER, to the hospitals, and also decide that long-term-care institutionalization might be the best thing to do. There could be an overall perception that this additional tax is driving institutionalization.

0910

Insurance policies that are defined by the amount of service hours will generate fewer available dollars for those people, and the taxation decision will be regarded as negatively impacting the amount of health care available to people who have bought into these plans.

The HST does have the potential to drive more families to seek care through an underground network or a "grey market." This is concerning to me as the executive director of the Ontario Home Care Association because the grey market is not subject to the kinds of standards and regulations as those businesses that operate as respectable home care businesses, ensuring quality of service provision to people. Taxation that compromises care standards will emerge as a theme, ultimately undermining the good work of the government to create a strong and reliable home care system in Ontario. And I am one of the strongest advocates for that publicly funded home care system.

Ladies and gentlemen, the number of Ontarians who will choose to purchase care is growing, and it will continue to grow because home care is a publicly funded and not a publicly insured service. Those people who are paying do not think it is right that they should be taxed for the contribution that they are making to the health care system.

Home care is a vital component of the Ontario health care system and it's integral to the entire health system transformation, and we should be spending more money on it. Home care research tells us that people want to stay at home for as long as possible, and families like mine will try to find ways to make that happen.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Ms. VanderBent, for you presentation. Official opposition.

Ms. Lisa MacLeod: Thank you very much, Susan. That was an excellent presentation. I want to assure you that the official opposition will not only consider the home care rebate; we will actually put forward an amendment so that the government will be posed with that as an option come Monday.

The work you're doing allows seniors and others to live in their home with dignity, and your message that higher taxes may mean lower standards in health care in the province has not been lost on the official opposition.

I'm very concerned with the fact that this may create an underground economy in our health care system, and I'm wondering if you'd care to elaborate a little bit more on your concerns.

Ms. Sue VanderBent: When an organization delivers home care and has the cost of maintaining a staff, which means all the administrative costs of the health human resource pool that they manage, they must bond there; their staff—they must train them; they must care for them; they must pay benefits to them. So the costs to provide the care in the home that is provided by a person that has the education and the training to do it well and properly and who has insurance to do that does cost money. You could, I suppose, ask somebody who did not have that kind of skill, training and insurance to do that kind of work. You could ask the person who comes in to vacuum your floors if they'd also give your mother a bath. I suppose you could, and that's the kind of thing that can happen. But who helps your mother if she breaks her hip getting into that bath? Who helps your mother if something is stolen from her home? These are the kinds of things that respectable organizations and businesses guard against, take care of and are accountable to their customer and to the publicly funded system when they deliver care in a home.

Ms. Lisa MacLeod: I appreciate this. One quick question, and then a little bit of a longer one: Have you been able to sit down in a consultative manner with the government on these concerns?

Ms. Sue VanderBent: Yes, we have, and I'm not here today to say that the government has not listened to us. They have. We have had meetings with the Ministry of Health and Long-Term Care; we have had meetings with the Ministry of Finance; we have had meetings with Minister Duncan's staff—

Ms. Lisa MacLeod: Thanks. I'm going to request, then, of the clerk, that we receive those documents—if we could receive from the government documents pertaining to the cost of health care.

One of the questions that we did have in question period was the cost to the health care system. When my colleague Mr. Miller and I attended a briefing with finance officials, we had requested more information on what the cost would be to the health care system, and we weren't given an answer. We certainly weren't given an answer in question period either when we asked the impact of not only the service that you're providing and the increase that that's going to cost to the health care system, but also with medical supplies. It's also going to cost the folks that are out travelling more money in gas, and there's going to be a whole plethora of issues, as well as journals and subscriptions that you may need to partake in to keep up the training. So I'm wondering if you can estimate, and I know that you're saying $260 to $315 a year just on the service: Do you have an estimation on what it will cost with the supplies and the gas for your home care workers?

Ms. Sue VanderBent: No. I'm sorry, I don't have those numbers.

Ms. Lisa MacLeod: Okay. If at some other time, perhaps in the next couple of days, you might be able to submit that to the committee, because I think the impact of the HST onto the health care system is a variable that we need to discuss before this legislation gets passed. I'm just going to pass my time on to my colleague from Parry Sound–Muskoka.

The Vice-Chair (Mrs. Laura Albanese): About 45 seconds left.

Mr. Norm Miller: I'll obviously be brief, then. So basically what you're saying is that the extra burden of the tax, $260 to $315 per year, will make it more difficult for seniors to stay in their home and get the care they need. I know in my area we're faced with a situation where the acute care beds in the hospitals are taken up with alternate-level-of-care patients, and I know it's the goal of the government to try to solve that problem. So this tax will actually make the situation worse, because families or seniors won't be able to stay in their homes. More of them will be forced out of their homes and into the long-term-care homes etc.

The Vice-Chair (Mrs. Laura Albanese): Ten seconds.

Mr. Norm Miller: Is that correct?

Ms. Sue VanderBent: Yes.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much, Ms. VanderBent, for your presentation.

ONTARIO CAMPS ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I would now like to call upon Aruna Ogale, executive director of the Ontario Camps Association. Welcome. Please come forward and state your name for the purposes of Hansard. You will now have 10 minutes for your presentation.

Ms. Aruna Ogale: My name is Aruna Ogale. I'm from the Ontario Camps Association. I'm the executive director there. I'm a bit nervous. I've never done this before, so excuse my faltering voice.

I'd like to say thank you for having us. We've never addressed a committee like this, but this is such an important issue to us that we really felt it was important that we were here and that our voice was heard.

The camp industry in Ontario is larger than anybody understands it to be. The Ontario Camps Association is far larger than all of the other camp associations in Canada combined. In our association alone, we've got 340 camps that we have accredited. Having accreditation means that our camps have gone through about 340 standards to 400 standards, depending on whether they're a day camp or a residential camp, that they must meet in order to be accredited, and then we allow parents to know that this is a safe camp for you to send your children to.

Collectively, just our camps—and there are camps out there that are not members of the OCA—will employ about 25,000 students over the course of a summer. So that is a very large employer of summer students. What people don't realize is that our camps are a billion-dollar industry, because we are supporting food services, program services, we're constantly building camps, docks, buying equipment for lakes, whatever, and we are putting this money into areas up north and in other areas where employment might not be as readily available.

In the last few years, especially starting with SARS, it's fair to say that our numbers have been dropping. With the onset of SARS, we found that American families and international families were more loath to send their children to Ontario camps. This year you probably read a lot about the H1N1 in the media, and I will say that the media did over-blow H1N1 at camps, but regardless, the message was out there that there were epidemics of H1N1 at camps, and that certainly hurt camp membership, as did last year's economy. Last year we suffered an 8% loss in children going to camp. It is a substantial loss of campers.

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It should also be noted that residential camps were capped at a 3% provincial tax because of the types of services that we offer. Now, going up, it's going to be a substantial increase. Because it's residential camps, there was a special dispensation—I don't know when—so it was a 3% provincial tax that we were paying.

As you can imagine, having an HST of 13% is really going to impact our camps, because the reality is that 13% is going to have to be added to all of our camper fees. While other associations or other workplaces might be able to get some of that tax back, we cannot, because most of the money that people pay for their camp registration goes directly to hiring of staff. We cannot collect money back or get tax rebates back on employment, so you are now actually taxing our ability to hire staff.

Because the OCA makes camps follow a very strict ratio of camper to staff, if the numbers go down, the number of staff that we hire also goes down, which really does mean that fewer summer students are going to be hired by camps this year. I don't think that that is what any of us want. We want young people to have the opportunity to work at camps.

We can tell you that young people who have worked at camps have done remarkable things in their lives. Some of them are MPs, MPPs; they're doctors; they're neurosurgeons; you find them in every facet of life. A lot of them will tell you that they got their leadership skills and they learned to dream of the great things they could achieve because of what they did and what they learned at camp. We ask that you don't deprive this next generation of that.

We find it ironic that on the one hand our government and the federal government are promoting physical activity amongst children. We keep saying that we need a healthy child; we need to combat childhood obesity; we need to get them more physically active; we need to get them to eat more nutritiously. We, along with everybody working in the sports and recreation field, provide you with an opportunity to make sure that kids are learning healthy lifestyles. We've done studies that show that children who go to camp, children who learn how to enjoy the outdoors, children who learn to be physically active, will continue that into adulthood.

Knowing all of this—this tax is going to have an impact on families where they're going to have to choose whether they can afford to pay that extra percentage in tax. We fear that children will just not be able to go to camp this year because of that hidden tax.

We suggest to you that if you can exclude meals under $4 from the HST, which we think, by and large, are probably fast foods, then we also think—and I love some of those meals. I'm not saying that you shouldn't have them all of the time. But we need to balance that with making sure that children's activities, physical activities, are also excluded from this tax, which will really put a huge burden on families and associations like ours, like soccer associations—just a whole gamut of programs that cater to children and families.

We think the logical step might be to say that anybody who is able to give a tax credit under the physical activity tax credit program introduced by the federal government could easily be excluded from this HST. It's a very simple way to do it. This way, we really do make sure that we keep children and families very active.

We're also concerned about our charitable camps, as the OCA represents private camps, day camps, charitable camps, faith-based camps like United Church camps, B'nai Brith camps, the Y camps, the whole gamut. A lot of these camps that send children to camp through subsidies or donations have already been impacted because donations are less. Now our costs are going to go up with this tax, because the money is going to come out of their pockets, and it's going to mean that fewer children are going to camp. So we ask you to please consider the needs of children when you introduce this tax. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. It is now the NDP caucus's turn for questioning.

Mr. Michael Prue: Thank you very much. For a woman who claimed to be nervous, you did a very good job.

Ms. Aruna Ogale: Thank you.

Mr. Michael Prue: I just want to ask a couple of, I think, really pointed questions here: 25,000 students who work in the camps may be impacted; some of them will not be hired back to work if the number of applicants to go to camp falls, if it goes down. How many jobs might potentially be lost in the camp industry as a result of the HST?

Ms. Aruna Ogale: This year we know that 8% of jobs could be impacted simply because our population has decreased by 8%. Now, thankfully, at the beginning the summer we didn't know that, so camps had hired that entire number. But I can tell you that there were kids that, as they dropped out because of H1N1 concerns—each camp let go of maybe one or two. This year, if membership enrolment doesn't stay up, I can predict that the same kinds of numbers will fall. The thing is that this year young people will get no opportunity to earn any money, because we all know that right at the outset they're not going to be hired.

Mr. Michael Prue: Okay, so if there is a 10% decline in camp enrolment as a result of the HST, it is very likely that 10% of the camp counsellors will not be hired?

Ms. Aruna Ogale: Exactly.

Mr. Michael Prue: So if there is a 10% decline as a result of this government's policy, then we will see about 2,500 summer jobs lost to students?

Ms. Aruna Ogale: Absolutely.

Mr. Michael Prue: Okay. The next thing I want to ask is about the charitable camps. This troubles me a great deal. Children with physical, emotional and psychiatric problems go to camp and for many of them, and I've seen some of these children, this is probably the greatest experience of their lives. Is there a possibility, if the HST goes in, that these children will not get an opportunity to go to camp?

Ms. Aruna Ogale: Yes. The burden that families with children with special needs also have is that sometimes they need one-on-one personnel to send with that child, depending on the severity of the disability. It would mean that camps would not be able to absorb that entire cost, and neither would families. So, yes, it would absolutely impact those children. It would also impact poorer families, immigrant families; we're trying to make sure that we have more programs in place so that children who are newer to Canada can also go. I can see that if we just didn't have the personnel there, we wouldn't be able to have those kinds of programs.

Mr. Michael Prue: The price point—this comes down to, I guess, a price point: If you increase the cost of camps by 8%, do you anticipate that there will be a decline in people willing to send their children?

Ms. Aruna Ogale: Absolutely.

Mr. Michael Prue: Will this decline be felt outside of Ontario? As an example, Americans coming to camps in Ontario or people from Quebec or Manitoba sending their children across the border to camps in Ontario: Will that also be affected?

Ms. Aruna Ogale: Yes. We already get requests from American families, for example, asking that they get their taxes back because they don't put into this economy, as it is at the present time. So I can imagine that when we have to say, "You have to pay this extra money," there is then really no incentive for those families to send their children to camp. It would be cheaper for them to send their child to camp within their own jurisdiction, be it New York, Arizona or California, because they're paying for the airline and they're paying for all kinds of things to come here. Why would they want to pay that extra cost?

0930

Those camps in the US also have to meet accreditation standards to the American Camp Association, so we can't even argue that our camps are better than theirs, because theirs are equal.

Mr. Michael Prue: Okay.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds left.

Mr. Michael Prue: I think that she has answered all the questions. I'm going to give her a reprieve. Thank you.

Ms. Lisa MacLeod: Point of order: It's my understanding that the government is passing out these documents here, and I don't think the official opposition or the third party was aware that they are passing out their propaganda. I'd like to ask that they be removed from the committee room.

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs?

Mr. Wayne Arthurs: Just on a point of personal privilege, Chair: A document prepared under the auspices of the government, Ontario's Tax Plan for Jobs and Growth—I would hardly feel it appropriate that it be characterized as propaganda.

Mr. Michael Prue: On a point of privilege, Madam Chair: If it is to be handed out, then all members should get a copy, not just government members.

Mr. Wayne Arthurs: Agreed.

The Vice-Chair (Mrs. Laura Albanese): Yes, I think all members of the committee should be provided with a copy. I think that—

Ms. Lisa MacLeod: On that same point of personal privilege, or my personal privilege: I think it's inappropriate that it be considered something that this committee is giving out. Certainly, there are many of us on this side of the table who don't agree with that propaganda and we would like it removed from the committee, because it is not committee material. It is Liberal Party material.

Mr. Yasir Naqvi: Madam Chair, this is a document which is printed by the Queen's Printer for Ontario. To characterize that as Liberal Party material is a gross misrepresentation and I ask the member not to engage in misrepresenting this committee to those who are presenting before this committee. This is a background document which was provided to every member of the Legislature along with the fall economic statement. It has been subject to scrutiny. It has been available to the opposition parties from the get-go, and they could comment.

As concerns are coming up, it's to make sure that deputants understand, technically speaking, where their particular sector or industry stands. It's important that they have this information available to them. If it is appropriate in your view, Madam Chair, that this be handed out once again to all the committee members, sure, we should do that.

Ms. Lisa MacLeod: I would ask that the Liberal red book be given outside and not in this chamber, because it is not a committee-endorsed book. I think that the Liberal red book should be given outside.

Ms. Sylvia Jones: On the same point: I sit on three different committees, and I have never seen legislative bills handed out to deputants. We're burning time that people have taken to prepare presentations. I think we should just get rid of the material, which has never historically been given out to any deputants, and move on with the presentations from the public, which is ultimately why we are here.

The Vice-Chair (Mrs. Laura Albanese): Can we take a quick recess?

Ms. Lisa MacLeod: No, no. We have people here. I have a simple request: that the Liberal red book be brought outside so we can continue with the deputations.

Mr. Wayne Arthurs: Chair, I can give you a motion that this be provided to all the deputants and anyone else in the room, if that's what it takes.

Mr. Michael Prue: I just think that the members of the committee should have it, because if they are going to refer to it—I had no knowledge that this would be before this committee. I don't have my copy with me. If they're going to be referring to it as a document, then I want to have a copy in my hands.

I do object to it being handed out to deputants who are here in opposition, to try to sway them. I do strenuously object to that.

The Vice-Chair (Mrs. Laura Albanese): I want to thank everyone for their comments. Could we call the next presenter up and then deal with this?

ONTARIO REAL ESTATE ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I would therefore call the Ontario Real Estate Association up to make their presentation. Thank you very much. If you will take your seats and state your names for the purposes of Hansard, you will have 10 minutes for your presentation.

Ms. Pauline Aunger: Thank you. Good morning; my name is Pauline Aunger and I am the president of the Ontario Real Estate Association. I want to thank you for the opportunity to present our views on Bill 218, the Ontario Tax Plan for More Jobs and Growth Act, 2009. Joining me today is Jim Flood, who is our Ontario Real Estate Association director of government relations.

By way of introduction, the Ontario Real Estate Association is one of the province's largest trade associations with over 47,000 realtor members in 42 real estate boards throughout Ontario. OREA was founded in 1922 to organize real estate activities and develop common goals across the province, including promoting higher industry standards and protecting private property rights.

As many of you know, OREA's primary concern with Bill 218 is the provision for a harmonized sales tax. OREA has opposed the harmonized sales tax since the early 1990s. Our opposition has been documented in our pre-budget submissions over the years.

We oppose the tax because it will increase the tax burden on Ontario homebuyers, sellers and owners. Our members believe very strongly that homebuyers, sellers and owners already pay their fair share of taxes. If harmonization is allowed to proceed, home sales will be hit with an additional 8% tax on all the services consumers use to facilitate the transaction. For example, moving expenses, legal fees, appraisals, real estate commissions, home inspections and many more will be subject to the new tax. OREA estimates, based on the 2008 prices, that each transaction will attract some $1,500 in tax, or $262 million province-wide.

With respect to new housing, the tax situation is even worse. The Ontario Home Builders' Association has indicated a new home costing $500,000 will attract an additional $6,000 in new tax under the HST, while a $600,000 house will incur additional new tax of $12,000.

For existing homeowners, the HST will add 8% to the cost of their electricity, heating, phone, cable, lawn care

and snow clearing bills, as well as ongoing home renovation and maintenance. When added together, 8% more tax on these services will cost Ontario's homeowners millions of dollars.

OREA is very concerned about the impact the HST will have on Ontario's housing market. Past experience has shown that when governments increase taxes on real estate transactions, affordability and sales volume go down. While it is hard to quantify, we predict the HST will have a similar negative effect on the real estate market throughout this province.

As you know, the real estate market in Ontario is one of the key drivers of our economy. In 2008, the Multiple Listing Service home sales accounted for $55 billion, generating over $8.6 billion in ancillary economic benefits to the provincial economy. Further, the land transfer tax created $1.36 billion in revenue for this government.

In addition, one of Canada's foremost authorities on housing and real estate, Altus Clayton, calculated that Ontario MLS home sales generate 84,000 direct and indirect jobs every year, including 1,000 direct jobs in manufacturing, 13,000 in finance, real estate and insurance, and 19,000 direct jobs in construction. The imposition of HST will jeopardize job creation in the housing industry.

That summarizes OREA's concerns with respect to the impact the HST will have on resale housing, new housing, existing homeowners and the real estate market.

We would now like to address the government's claim that input tax credits on most business inputs will somehow lead to lower prices. There may be some merit to that argument if a person is buying a manufactured item and their only consideration is price. However, we have yet to see how the same principle applies to the service sector, including services associated with a real estate transaction.

In fact, OREA notes that the TD Economics report, the Impact of Sales Tax Harmonization in British Columbia and Ontario, states that consumers will be better off for goods and services under HST except in cases where the services are currently taxed only at the federal level. This is exactly the case today for services used in real estate transactions that are PST-exempt. If the TD Economics report is correct, the theory that input tax credits will lead to lower prices simply does not apply to services used by consumers in real estate transactions.

Finally, we have heard suggestions that realtors should simply reduce their income to offset the HST. On July 1, 2010, realtors will have to explain to our clients why they must now pay an additional 8% more on a variety of real-estate-related services. Our response will be, "The tax is being imposed by the provincial government. We are not responsible for the creation of the tax, and we reject suggestions that we should somehow absorb it."

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In closing, when government changes tax policy, it ultimately creates winners and losers. In this case, manufacturers are the winners and the service sector is the loser. Ontario homeowners, buyers and sellers are all losers with the HST. We are pleased to speak on their behalf today.

Thank you. I look forward to your questions.

The Acting Chair (Mrs. Laura Albanese): Thank you very much. The government side will now proceed with questioning.

Mr. Wayne Arthurs: Pauline, thank you very much for being here. Certainly, we have been hearing from OREA throughout this process, almost, I suspect, since day one. I anticipate we'll continue to hear from them subject to whatever may occur here and in the Legislature and, should it pass, during the process of its implementation. I don't think that's going to change very much in that time.

I want to ask about the new market in particular. When we introduced this, we certainly sat down with the industry, looking at the new home market, because we understand, obviously, as you do—your deputation spoke to the importance of the housing industry broadly, in Ontario. We looked at the provisions, obviously, of the GST and determined that an exemption on new housing purchases shouldn't just parallel the GST but should go beyond the current provisions of the GST.

Ms. Lisa MacLeod: On a point of order, Madam Chair: I think that we're concerned, here in the official opposition—and I'm sure the third party is as well—that the parliamentary assistant to the finance minister just told a deputant that nothing is going to change in the bill. I think if there's any more reason for the rest of the province to consider these public hearings a sham, it's the outright admission by the government that there will be no amendments accepted.

Mr. Wayne Arthurs: I never said that. Chair, first, I really object—

Ms. Lisa MacLeod: Perhaps you'd like to remove that from the record.

Mr. Wayne Arthurs: I really object to being interrupted. For those who were listening, I said no such thing.

Mr. Jim Flood: We take no offence.

Mr. Wayne Arthurs: I know you don't.

If I can continue with my question and my comments, we looked at what the GST was doing and effectively enhanced that position by increasing the provision for new home sales. There has been a substantive, ongoing lobby to look at the capacity to update that federally, and presumably if that were the case, and subject to this legislation passing—it's up to the Legislature—that would become part of that.

Would the provision of an enhancement to the current GST, presumably an HST provision that would better reflect the change in the marketplace, be a better position for the OREA and its members to be able to deal in the housing market? In essence, if the GST were tied to some provision that would parallel the CPI changes since the first introduction of that $350,000 limit?

Ms. Pauline Aunger: I'm not sure if I understand.

Mr. Jim Flood: I'm not sure we understand. Anything that results in lower taxes on housing is welcome.

Mr. Wayne Arthurs: Where I'm coming from is the current provision for the GST is a $350,000 exemption on purchase.

Ms. Pauline Aunger: Yes.

Mr. Wayne Arthurs: You guys have been a very strong lobby over time, and I presume the OREA has had a similar position, that it should be indexed because of inflation, because what was valid 10 years ago is no longer valid today, in the context of exemption on a new housing purchase.

Mr. Jim Flood: I think we can accept that in principle. We would probably, frankly, defer to the Ontario Home Builders' Association for their views on that. Our association represents 98% of the resale housing market; not so much new.

Mr. Wayne Arthurs: So the primary interest you would have, then, is in the resale market, as opposed to anything that's happening in the new marketplace?

Ms. Pauline Aunger: Well, we're concerned about both, because obviously our industry is composed of both.

The Acting Chair (Mrs. Laura Albanese): There is one minute left.

Mr. Wayne Arthurs: You had a figure of some $1,500 in your presentation, I think, early on, that "each transaction will attract some $1,500 in tax." Is that premised on sale value, or just the service provided?

Ms. Pauline Aunger: That is based on the average sale price in Ontario and all of the services that are added to it.

Mr. Wayne Arthurs: What would be the average sale price, based on that figure?

Ms. Pauline Aunger: I believe the sale price was just over $300,000.

Mr. Jim Flood: Yes. The average MLS sale price in 2008 was $304,000. That's the number we used.

Mr. Wayne Arthurs: So the vast majority of that cost obviously doesn't—the purchase price doesn't directly attract either GST or PST, but some services related to the transaction—

Ms. Pauline Aunger: It is just the services related to that, which include everything from lawyers' fees, real estate fees, the move that—

Mr. Wayne Arthurs: So the average sale—

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Mr. Wayne Arthurs: Sorry; I've run out of time.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Sorry, time is up. I thank you for your presentation at this time. Thank you very much.

I would like—

Ms. Lisa MacLeod: Madam Chair, just at this—

The Vice-Chair (Mrs. Laura Albanese): One second. I would like to advise the government side that the exhibit that Ms. MacLeod was referring to can be filed as an exhibit with the clerk and handed out to all the members and staff. However, it can be distributed to deputants outside the room and not within the chamber. Thank you.

Ms. Lisa MacLeod: Madam Chair, just a further point of clarification: I'd like to request a draft Instant Hansard as soon as it is possibly made available, perhaps this afternoon, just to clarify the comments. Somebody is wrong—hopefully we are, that the government isn't going to just give us the bill and not make any amendments, so that these deputations are actually meant and worth something. So if I could request that.

The Vice-Chair (Mrs. Laura Albanese): I believe that we will take that request and that will be done.

Mr. Wayne Arthurs: Chair, if you would like, certainly we would provide this to the clerk, as per your request, so it's tabled accordingly and made available in the fashion that the clerk has advised you as the Chair. I think my comments were quite clear in the context of "should the legislation pass." I made no presumption about what the Legislature might do with this legislation when it's presented to it yet again.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much, Mr. Arthurs.

Mr. Michael Prue: If I might ask a question, does that entitle the other parties to hand out their take on the HST to deputants as they leave this room as well? Is there to be a little table set up outside so that we can hand out documents that we feel reflect this bill?

The Vice-Chair (Mrs. Laura Albanese): This is not a government—if it's a government—it's not—

Interjection.

Ms. Lisa MacLeod: But not in this room; handed out outside.

The Vice-Chair (Mrs. Laura Albanese): Not in this room

Mr. Michael Prue: I just wondered, since they're being given permission to hand it out outside, can anybody hand out anything they want outside?

The Vice-Chair (Mrs. Laura Albanese): I am not the Chair outside this room.

Mr. Michael Prue: Okay, thank you.

Ms. Lisa MacLeod: But you're so good at it, we would readily welcome that.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

Mr. Wayne Arthurs: That deserves applause.

BLAKE BATSON

The Vice-Chair (Mrs. Laura Albanese): So we shall move right along and ask Blake Batson to please come forward. Welcome to our committee this morning. Please state your name for Hansard purposes. You will now have 10 minutes for your presentation. Thank you very much.

Mr. Blake Batson: Thank you for allowing me to present today, committee. My name is Blake Batson and I maintain a political blog in Ottawa called blakebatson.ca. I'm from the riding of Ottawa South and I had to actually come here by plane today to make my presentation to you because you wouldn't come to us out in Ottawa, where we're just over a million people.

I'd like to present to you basically two points in my submission today: (1) the real impact the HST has on consumers given the way that this government is going to implement the tax; and (2) the fight that will go on right up to the next election if this tax is actually passed in the way that it's been proposed, starting with a website called goodbyecharliebrown.com.

I know it's not lost on the members of the governing party that the 8% provincial portion of the HST is nothing more than a tax grab. I saw that the price of gas in Toronto is 96.7 cents a litre. With the HST it will be $1.044. That's 7.7 cents just in tax. It's not because of higher oil prices or other market forces; it's just the Liberal-inspired tax.

0950

My airfare ticket here today in July next year will cost about $32 more in tax.

You have implemented some tax relief and there are some one-time federal tax monies that are being credited, but it doesn't come close to covering the increase the tax burden will impose on Ontario taxpayers. The taxpayer federation calculates that the tax on a four-person family will be about $2,500 per year. Also, this version of the HST, supposedly business-friendly, is fast becoming a pain in some instances with all the special-interest exemptions that you're now proposing and granting. This is not the way to implement the HST.

The economy is not strong. We're in a recession and it's taking a toll on Ontario. Ontario is hurting from all the job losses. At a time when governments, including this province, are stimulating the economy to get things going again, the Liberal government is introducing a tax hike. Since when is a tax increase considered a stimulus? It's not like you're tinkering with a tax code and trying to make it more efficient. I know you're saying that in your arguments, but in reality, the tax will add $3 billion to government coffers—that's $3 billion out of the economy. During a recession, I would say that this is anti-stimulus. This is not the time to implement the HST.

This government doesn't have the best track record when it comes to predicting the economic future of the province. If you refer back to budgets since 2004, you'll notice that there's little accuracy in any of the forecasting that was predicted. In fact, one of the most famous quotes that Premier McGuinty gave was to Maclean's magazine in April 2008 when he was warned that Ontario was on the verge of becoming a have-not province. His response was, "The province's economy is quite strong. In fact, I haven't seen any indicators that the future is anything but bright for Ontario."

Given this type of misguided economic planning, why would anyone feel comfortable in the numbers and forecasts that the government is presenting today? This is not the government to implement the HST.

What can voters do to fight the HST? That's the question that I'm most asked on my blog. The Liberals have the majority government, therefore they can do whatever. But that's not quite true. It is true that Premier McGuinty in Ottawa South—that's McGuinty land. You would be hard-pressed to find somebody who can beat him at home. But is that true for all the Liberals? Are their seats that secure? Ottawa–Orléans, a lot of the downtown Toronto ridings: Do you believe that you will survive the HST? Probably not.

In 1985, a senior from Quebec by the name of Solange Denis confronted Prime Minister Brian Mulroney and said that if he touched their pensions that they would not vote for him and it would be goodbye Charlie Brown. The Mulroney government was the largest majority government in federal history, but the MPs realized that this would probably come to pass, and in fact, they actually did back down and did not touch pensions.

It's important that constituents realize that you can defeat members of Parliament if they don't follow the plan that the people of the province want. So my message to you is this, the same as Madame Denis: If this tax passes, it will be goodbye Charlie Brown for many Liberal MPPs. In this case, the fact that the next election is two years away actually works against the government. We'll have time to organize in critical Liberal ridings that are threatened and we will work with both the PC Party and the NDP to make sure that this happens.

The lack of public consultation proves that the government knows that there's nothing good to be said about the HST—or to be out there actually listening. Just like Dalton McGuinty turned his back away on Mike Brady, a cancer patient in Ottawa during the last election, the Liberal Party is turning its back on a hurting province.

For these reasons, I believe that this is not the way to implement an HST, this is not the time to implement an HST and this is certainly not the government to implement an HST. If this passes, it is goodbyecharliebrown.com.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. The official opposition for questions.

Ms. Lisa MacLeod: Thanks very much, Mr. Batson. I appreciate you coming down here from Ottawa today.

Mr. Yasir Naqvi: On a point of order: I'm not sure how appropriate it is to hear from a deputant who is a large contributor to the Progressive Conservative Party of Ontario. I think it was a fairly partisan presentation, so I just want to put that—

Ms. Lisa MacLeod: I appreciate that, but do you know what? We'll be able to hear from Jack Mintz later on, who received $700,000 to attend, based on you. And here's one—

Interjection.

Ms. Lisa MacLeod: Are you basically telling us that the people who want to come here, as everyday citizens who are going to have to pay for your $3-billion tax grab, are not allowed to attend these hearings? Is that what I'm hearing?

I'd like to get on with my questioning, if it's okay, because I think we've got an important grassroots message here to tell today. We have an everyday Ontarian who had to fly here from the city of Ottawa because the government would not go to the second-largest municipality in this province to hear from concerned taxpayers. We

tried time and time and time again for you to travel this province so that you could hear from people like Blake Batson. And what did he have to do? He had to fly to Toronto at his own expense to talk to you about the impacts and the negative impacts of this HST. He has had to start a website at his own personal expense to rally Ontarians, and he has done that.

I want to welcome him with open arms, and I'd like to hear a little bit more about his website and how many hits he has garnered and what he expects to do with his grassroots campaign.

Mr. Blake Batson: Thank you. The website is a grassroots campaign, and what we hope is that, over time, over the next few days, more and more people hear about it and actually go to it. The website actually allows you to send letters of protest to the individual members of the Liberal Party that are closest to your riding. Hopefully, the Liberal members will see the number of people who actually are against the HST and, as individual MPPs, really reflect on what their constituents are telling them. They're there to represent the constituents of their riding and not to try to sort of cover bad management decisions made over the last six years.

Ms. Lisa MacLeod: I'm just wondering: Do you think that there is time for the McGuinty Liberals to back away from this $3-billion tax grab?

Mr. Blake Batson: They're a majority government; of course they can.

Ms. Lisa MacLeod: I have another question. You're from Ottawa South, and today in the newspaper, David McGuinty came out and said he has not received one single piece of correspondence to his constituency office about the HST. I guess I have a quick question on that. Based on the fact that I am, as well, an Ottawa–area member of provincial Parliament and, from time to time, do get copied on correspondence sent to Liberals at both levels of government, do you think that's accurate?

Mr. Blake Batson: I don't know. I want to say "probably not," but I'm not in Mr. McGuinty's office. Certainly, the Liberals federally had a chance to take a stand, and I think they made a decision based on their political situation. However, at the federal level, they're just saying that the HST, in concept, is not a bad idea and that they would be willing to work with provinces to actually implement it. They are not saying, however, that you should use this as a way to grab $3 billion out of taxpayers' pockets on an annual basis.

If you look at the other implementations of HST out east and in Quebec, both of those jurisdictions lowered their provincial tax when they actually blended the two together. I just don't see how this government can sit there and, with a straight face, say that this is going to be revenue-neutral or not something to the benefit of the coffers of the government.

Ms. Lisa MacLeod: I appreciate that. I also want to just acknowledge—it's unfortunate that the member from Ottawa Centre decided to tar your appearance, because you are a former municipal councillor. You're also a municipal pundit in the city of Ottawa. You do a lot of great work in political activism, basically for all three political parties, and I do apologize for that. I really regret that that happened.

The Vice-Chair (Mrs. Laura Albanese): One minute left.

Ms. Lisa MacLeod: But I guess the final question I have is: As a well-known business owner in the city of Ottawa, how do you think this is going to impact on the business community?

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Mr. Blake Batson: You're going to hear from a lot of people today representing various associations about how it's going to impact them. As the last presentation nicely laid out, as a service industry, it's going to hurt; it's not going to be that easy an implementation. On the manufacturing side, there are some definite benefits. But if you start, as I said, tinkering with what you have HST on and what you don't, then you create a nightmare. You've got the worst of both worlds; that is a higher tax rate where the service industry is hurting and then a manufacturing base that's now got to figure out what counts and what doesn't.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Our time is up. We have four seconds left. At this point, I would thank you for your presentation and move to the next presenter, because time is really tight.

Mr. Blake Batson: Thank you.

Mr. Frank Klees: On a point of order, Chair: If I might, with all respect, I would very much appreciate Instant Hansard for Mr. Naqvi's comments. In the 14 years that I have had the privilege of serving as a member of the Legislature, I have sat in many committees. I have never heard a member say what Mr. Naqvi said: the suggestion, if I could, and I'll quote as best I can from the notes that I took, "I don't think it's appropriate for the committee to hear from large contributors to the PC Party." Chair, that is an offence. I believe that anyone, regardless of partisan stripe, regardless of political contributions, is welcome to make presentations to this committee and any other committee. For a member of the Legislature to, first of all, even raise that point to intimidate a witness is so out of order, I'm going to ask the member to formally apologize to the witness and to withdraw his statement.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much, Mr. Klees. We shall provide the Hansard. Mr. Naqvi, any further comments?

Mr. Yasir Naqvi: I withdraw, Madam Chair.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

CANADIAN TAXPAYERS FEDERATION, ONTARIO DIVISION

The Vice-Chair (Mrs. Laura Albanese): We would now like to call the next deputant: Canadian Taxpayers Federation, Ontario division. Mr. Gaudet, please come up. Welcome. I would urge you to start your presentation

as soon as possible, as time is very stringent. Thank you for being here this morning.

Mr. Kevin Gaudet: Good morning, Madam Chairman. Ladies and gentlemen of the committee, I can assure you that in my capacity as Ontario director of the Canadian Taxpayers Federation, I'm no longer a member of any political party, nor have I or my organization ever made a political contribution to any political party, especially that one.

It seems to be a too-frequent occurrence, the correlation between presentation at committee by my organization—too often, it follows yet more broken lies by the Liberal Party and the Premier. Here we are again on the heels of the last election two years ago, in which the Premier promised both not to raise and not to reduce taxes. Yet they're now putting a budget through that will reduce some taxes for business, which we applaud the government for, although they're a little bit late at the table on that, but they're also yet imposing a substantial tax imposition on individuals and families. Here we are again talking about the HST.

Taxpayers in Ontario have reason to be concerned about the prospect of another 8% being added to the cost of many services with the new blended sales tax. While harmonizing the provincial sales tax may have many advantages in theory, now is definitely the wrong time for the Premier to impose the new BST. However, if the Premier insists on plowing ahead, he should move to protect taxpayers by reducing the blended rate to as much as 10%.

Premier McGuinty says that Ontarians should take his word that the BST will be good for Ontario. We all know how it works out when we trust him on any promise not to raise taxes. Yes, his record of truth-telling when it comes to taxes is less than stellar. He has lied not once but twice about promising not to raise taxes. After his first no-new-taxes election campaign promise in 2003, Premier McGuinty proceeded to hike business taxes and imposed a new so-called health tax.

Interjections.

Mr. Kevin Gaudet: Shall I proceed, Madam Chairman?

The Vice-Chair (Mrs. Laura Albanese): You may proceed.

Mr. Kevin Gaudet: Thank you.

The health tax is the single largest tax hike in Ontario history.

As well, he gave new taxing powers to the city of Toronto, which quickly imposed a new land transfer tax, a new vehicle registration tax, a new garbage tax and a new plastic bag tax thanks to the Liberal government—in cahoots, of course, with Mayor Miller.

Since his second election campaign, which also featured another "No new taxes" promise, the Premier has put in place a new paint tax, a new electronics tax, a new tire tax, as well as the Green Energy Act, which includes a new energy tax and a home-sale audit fee, and there's more. In the last budget, he raised taxes for the two top tax brackets by lowering the threshold on which they apply, amounting to a large tax grab from the middle class. And now, on top of that, he wants to add 8% on services.

Sure enough, there's a mini-reduction in the lowest tax bracket, but to quote an accountant from the Canadian Institute of Chartered Accountants: "It's peanuts." Blending the sales taxes would provide a few benefits to large businesses, especially manufacturers. There will be reduced compliance costs and reduced net taxes on business inputs. The problem is that these benefits are offset by massive impacts on consumers for every service they buy.

If the Premier won't abandon this ill-timed tax plan, he should at least undertake it in a manner that is less harmful. A key driver of tax reform ought to be, "Do no harm to anyone." Taxes should be made lower, simpler and flatter, but not by benefiting some at the expense of others. But sadly, the new BST provides benefits to business at the expense of individuals and families.

To reduce the pain of the BST, the Premier plans a bribe of McGuinty bucks—one-time cheques that likely won't even cover the tax hikes. These bribes appear politically motivated, with cheques set to land in mailboxes just prior to the next election. Of course, cheques will also be sent probably to dead people, people who've moved, and just wait until Paul Bernardo gets his cheque at Kingston Penitentiary.

Interjection.

Mr. Kevin Gaudet: These are the facts.

A better way to offset the pain of the BST would be to reduce the PST from 8% to 5%, for a combined rate of 10%. The Atlantic provinces reduced the combined sales tax rate when they underwent similar changes. Alternatively, Premier McGuinty should raise the basic personal tax exemption sufficiently to offset the cost increases that consumers will be forced to bear. This way, the new BS tax will be cost-neutral for most people.

Consumers in Ontario are understandably frightened at the prospect of another 8% added to the cost of many services in Ontario. They have reason not to trust the Premier's empty reassurances that all will be fine. We recommend that he announce real measures to reduce the financial pain the new BST will bring. The 10% solution would provide real action, not just words to soften the blow of the new tax.

Allow me to borrow the voice of an Ottawa couple who couldn't afford to be here who sent me an e-mail about the HST. Antonio and Victoria live in the Premier's former hometown of Ottawa. They were so upset about this new tax, they sent me a book. Let me please read a few excerpts.

"Dear Mr. McGuinty:

"We're sending you this message to voice our household's outrage and disgust regarding your harmonized tax plan." I can't comment on whether or not this was copied to David McGuinty.

"Enough is enough. This is just the latest tax grab at the expense of consumers, and is short-sighted, insulting and absolutely ridiculous. Where do you suppose

households are going to find all of this extra cash? In case you haven't looked out your window, we're in the midst of a global recession. No one in the private sector is seeing an 8% to 10% increase in salary.

"This tax," they say, "is nothing more than a blatant attack on Ontario households and families. Had the tax been revenue-neutral, perhaps things would be different, but in its current state it will only serve to hurt Ontario families more—families already bleeding financially.

"Why must Ontario residents continue to write cheques to cover the irresponsible spending and decisions made by your completely incompetent provincial government? Why are we throwing billions into asinine programs?"

Victoria and Antonio go on to talk about how their young family is struggling to make ends meet, having to deal with job loss in the family, and on top of that, they comment on having to deal with medical bills for their ailing parents. These are the people whom this new tax will hurt. These are the people the Premier is ignoring. These are the people demanding relief from this painful new tax.

Victoria and Antonio conclude: "Mr. McGuinty, you and your cronies would see things very differently if you had to spend a day in the shoes of the average Ontario family, a family that does not collect a six-figure income, does not take lavish trips, does not belong to a group health care plan and does not get eight-plus weeks' paid vacation, on top of the many other perks that you enjoy.

"Our household is fed up with this nonsensical drivel. We are forced to consider moving out of Ontario."

These are the impacts of this tax on the average Ontarian. Mr. McGuinty may ignore Mr. Hudak and the Tories, he may ignore Ms. Horwath and the NDP, and God knows he ignores me, but it's difficult for him to ignore these people because these are the people who have to pay the bills that are being imposed.

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It's time he stopped ignoring these regular people of Ontario, who will be hurt by this new tax, and the best way, if he's not going to abandon the tax, would be to reduce the blended rate.

Thank you. God bless democracy, and Merry Christmas.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. We will now start questioning by the NDP caucus. Mr. Prue.

Mr. Michael Prue: Yes. Thank you very much. A couple of questions: You didn't touch on this, but I would like to know the taxpayers' federation position. Given the $25-billion deficit, do you think that a $2-billion-a-year corporate income tax cut is responsible at this time?

Mr. Kevin Gaudet: I think that the province is properly undertaking business tax reform. It's regrettable, Mr. Prue, that they hadn't undertaken the business tax reform six years ago. It's a bit ironic, however—to comment on it, if I may—that the Premier promised that he wouldn't reduce taxes and then proceeds to. We're glad to see tax relief but it's peculiar to see a politician breaking promises.

New Brunswick, for example, has put in place a comprehensive tax reform package, and it makes neighbours of Ontario more competitive when they have more competitive business tax rates. I believe it is necessary to put in place business tax relief. I believe the better way to do the business tax relief is the income tax reductions that are being put in place, not to provide these types of blended sales tax reductions, which benefit business at the expense of individuals and families.

Mr. Michael Prue: Other questions here: You've talked about the massive impacts on consumers, and I think there can be no doubt about that. Some economists that the Liberals have hired have said that businesses will pass this money down, but how does a service provider pass the money down? I understand how a manufacturer may be able to. Service providers are now the largest part of the economy. How could they possibly pass this down?

Mr. Kevin Gaudet: I think, Mr. Prue, you correctly point out that businesses in your riding, where I get my hair cut, for example—

Mr. Michael Prue: I get mine cut in my riding too.

Mr. Kevin Gaudet: The lady I speak with who cuts my hair—Susie—says that she's quite concerned about what the impact will be, because she knows she has to charge me and my kids an extra 8% for our haircuts. I suspect that a lot of people are going to have longer hair, for example, because they won't be able to afford to go as often. Quite simply, the fact is that businesses can't pass these along.

I know members from the other side don't want to hear the truth on this issue, but this will have an impact on Ontarians, and you're disregarding it. The fact that you don't give a dang is a problem. Your arrogance and disregard are a problem.

Mr. Michael Prue: You brought up something that I've not heard before, and I had not really thought about it. When the government sends out cheques—this is not income tax; this is not done on people who pay income tax or even at income tax time. It's an actual cheque in their hand. This is literally to every Ontarian, I guess, who earns below $85,000 a year. Would that include people in jail? You referenced Paul Bernardo. I had never thought that the cheques would be mailed out to jails across Ontario.

Mr. Kevin Gaudet: I'm looking forward to seeing whatever enabling legislation is put in place to delineate these types of things. Usually, though, these types of cheques go to any registered tax filer, and even people in jail are required to do that.

Mr. Michael Prue: Anybody who pays taxes in the province of Ontario—there are many people who pay taxes in the province who do not reside in the province. They are required to do so by reason of business or because they may have a contract that brings them here. Is it your understanding that they too will be receiving a cheque?

Mr. Kevin Gaudet: Mr. Prue, you put me in the awkward position of trying to explain and defend the most ridiculous imposition of a new tax, the rules and details for which have not yet been made public.

Mr. Michael Prue: Yes, yes.

Mr. Kevin Gaudet: I apologize for my inability to answer those questions. Perhaps if the Premier would deign to actually answer your questions, you'd get a better answer, sir.

Mr. Michael Prue: Okay. I want to go back to the costs to manufacturers, and that that money in turn will be passed on in the form of reductions to consumers.

I do grant that there may be some reductions to manufacturers. Do you think that, first of all, manufacturers will in fact pass on all of that, or will they use the monies for other purposes, such as buying new machinery, padding company profits or even bringing their company to a level that they're at least not in the red?

The Vice-Chair (Mrs. Laura Albanese): Forty-five seconds left for questioning.

Mr. Kevin Gaudet: The theory is that the companies will pass along those savings. The report by the C.D. Howe Institute—and the chamber of commerce, for that matter—indicates that there will be a negative impact on GDP for the first couple of years that the new tax is imposed. That is in part, of course, because it will take a while for companies to pass along any savings, should they choose to.

There was an interesting op-ed in the Toronto Star X number of weeks ago—I've forgotten the date; I apologize—by two associations representing those types of manufacturers. They actually suggested that they intend to use the savings at first to pay down the debt that they've been accruing during this difficult economic time.

While in theory the savings ought to be passed along in due course, it's unclear how long that will take. In Atlantic Canada, the C.D. Howe Institute analysis—

The Vice-Chair (Mrs. Laura Albanese): I'm sorry. As per the time allocation motion, we have to stop at 10:15. This brings our morning deputations to a close.

We will be recessed until 2 o'clock this afternoon. Thank you very much.

The committee recessed from 1015 to 1400.

The Vice-Chair (Mrs. Laura Albanese): Good afternoon, everyone. Welcome. I call to order the meeting of the Standing Committee on Finance and Economic Affairs.

Mr. Wayne Arthurs: On a point of order, Chair: First of all I want to thank the Chair, through the advice of the clerk, in advising me this morning on the matter in which exhibits can be tabled. I won't take very long. There are a number of documents that have been questioned or queried about or referenced during the committee hearings and prior to that, so I would like to take the opportunity to just table quickly a number of documents at this point in time.

The TD Economics special report, by the TD Financial Group; the OECD's Consumption Taxes: The Way of the Future?; the International Monetary Fund's The Allure of the Value-Added Tax; the C.D. Howe Institute's Sales Tax Reform in Ontario: The Time Is Right; The C.D. Howe Institute's commentary, Lessons in Harmony; the School of Public Policy's Ontario's Bold Move to Create Jobs and Growth; GST Harmonization: Not Sexy, But Smart, the Fraser Institute; Fair Taxation in a Changing World, from 1993, the report of the Ontario Fair Tax Commission; Made in Ontario: The Case for Sales Tax Harmonization, the Ontario Chamber of Commerce; Navigating Through the Recovery, by Roger Martin; the C.D. Howe Institute commentary, Growth-Oriented Sales Tax Reform for Ontario; and the last one, Building prosperity in Canada, the Fraser Institute—Mike Harris and Preston Manning were the authors of that particular document—2006.

Mr. Michael Prue: If I can—

Ms. Lisa MacLeod: Point of order—

The Vice-Chair (Mrs. Laura Albanese): One second, one at a time. Mr. Prue.

Mr. Michael Prue: I just listened to that. The government has received hundreds and hundreds of applications; we know they have. The member has just introduced every single one which is favourable of the government position. What kind of release is that? I object strenuously to these kinds of shenanigans in this committee. This is unheard of, that he will put in only the documents that buttress the government's position and not one single document that says anything against this particular HST. I have no idea how this can even be allowed to happen in a democracy where he can be that selective and pretend that he's doing the committee's bidding, because he is not.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Mr. Prue. Ms. MacLeod.

Ms. Lisa MacLeod: I also object. I'm going to tell you: I hope that the government members are looking at the package in front of us. There are 153 letters from everyday Ontarians, not the high-priced consultants you've consulted with to say what you want to say about the HST; 153 of them have said they oppose this tax. Three of your own people have written in to say they support it. You are doing a disservice to this province today by ramming this legislation through. You can continue to table all the fancy documents that you want, but the people deserve to be heard and we should extend hearings. If it requires it, I would like to read every one of these documents, 153, and from what I understand, that is only half of what we received from the clerk. I think we should read each one of these into the record so that the Liberal government that is trying to ram this thing through can give these taxpayers their say.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for all your opinions. None of these documents will be read into the record, but they will all be filed with the clerk as exhibits with the committee—

Mr. Michael Prue: I object to the filing of these documents.

The Vice-Chair (Mrs. Laura Albanese): If I may finish. If you want to file other documents, you are welcome to do so with the clerk, and everyone will be given that opportunity.

Ms. Lisa MacLeod: Just a point of order: Now that they have sort of read into the record their own evidence, am I able to read into the record the names of those who have applied to this committee to register their dissent? We certainly have, as I mentioned, 153 small business owners, seniors, pensioners' supports, we actually have municipalities here who oppose this tax, and I'd be happy to read that into the record.

The Vice-Chair (Mrs. Laura Albanese): Every written submission that has been filed with this committee is automatically a public document—

Ms. Lisa MacLeod: So can I be sure, then, that Jim Ellis, Colette Lacroix—

The Vice-Chair (Mrs. Laura Albanese): Yes, you can be sure—

Ms. Lisa MacLeod: —John D'Ippolito, Jeff Strassburger, Carol Richards, Sandra Thompson, all the folks in Mallorytown, Roger Crane—

The Vice-Chair (Mrs. Laura Albanese): They will all be filed with the committee and they will all—

Ms. Lisa MacLeod: —Craig Graham, Merven Patey, Wayne and Gloria Craig, the Wine Kitz of Cataraqui Woods—

The Vice-Chair (Mrs. Laura Albanese): Ms. MacLeod, we now have presenters that are here and are waiting, and I would appreciate if we could hear them out. Thank you.

We will now move on to the presenters. I'd like to welcome all of you here. I would like also to inform those who were not here this morning of the protocol: All presenters will have 10 minutes in which to make their presentation. There will be up to five minutes of questioning following that. The first round of questioning will be following the one that started this morning. So, in this case, the last one was for the NDP caucus, so the first one will be for the government side. Then we'll continue with the official opposition for the second presenter and the NDP caucus for the third one, and so on and so forth.

BOWLING PROPRIETORS' ASSOCIATION OF ONTARIO

BOWL CANADA

The Chair (Mrs. Laura Albanese): I would like to call to the table right now the Bowling Proprietors' Association of Ontario and Canada. Please come forward. Welcome.

Ms. Susan Cannon: Thank you.

The Vice-Chair (Mrs. Laura Albanese): You may be seated. Please state your name for the purposes of Hansard.

Ms. Susan Cannon: My name's Susan Cannon. I am the manager at Roseland Bowl in Burlington, Ontario. I am here to speak on behalf of the Bowling Proprietors' Association of Ontario, or Bowl Ontario.

Mr. Paul Oliveira: I am Paul Oliveira. I am the executive director of Bowl Canada, a national organization of which Bowl Ontario is a provincial member.

The Vice-Chair (Mrs. Laura Albanese): Thank you. You may begin.

Ms. Susan Cannon: If you don't mind, I'm just going to read this off. This is a compilation by about five or six different proprietors who have helped me out, and in your red folder I've got a summary of what we're about to say with some personal—Ms. MacLeod had mentioned I've got personal letters from all the proprietors; some of our proprietor members as well. That's for your viewing later.

I am here on behalf of the Bowling Proprietors' Association of Ontario to oppose the harmonized sales tax, or Bill 218. I have in my hand letters from bowling proprietors all across the province opposing this legislation. Just like the auto and financial sectors, we are an industry in peril.

As an organization we are not opposed to government taxes. What we are opposed to are new taxes, which is exactly what the HST is to bowling.

Just to give you some facts: Since the introduction of the GST back in 1991, membership in our association has dropped to half of what it was, mostly due to closures, as proprietors have been unable to maintain a profitable business. In Ontario, every time there's been new legislation—such as non-smoking, Sunday shopping; the newest one, the increased minimum wages etc.—our industry shrinks by approximately 10%. Our statistics show that Ontario has seen a 34% decline in the number of bowling centres in the last 10 years—6% higher than the national rate of decline.

Our youth program, which is the future of our industry and sport, has lost 59%, which is higher than the national rate by 5.5%. Our bowling industry here in Ontario is lagging behind that of our provincial counterparts. We already know that the bowling proprietors in Newfoundland experienced an immediate 15% loss in revenues when the HST was implemented there. We're expecting no less here.

Parks and Recreation Ontario's website states, "The increase in tax will have a direct impact on the cost of staying active in Ontario." The tax increase will therefore be in direct conflict with the provincial government's philosophy of growing a healthy and more active Ontario.

The bowling industry's main competition is government-subsidized recreational programs, of which many operate at a loss. Bowling centres are all privately owned facilities which must compete with municipal fields and arenas, and any corresponding subsidies. It is imperative that, should any sport or recreation be considered for zero-rated status, our industry be extended the same consideration. We simply must be on a fair playing field with our competition.

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Bowling is one of the largest participation sports in Canada, one which is enjoyed by all age groups. According to a Bowl Canada survey, our bowling centres see

over 300,000 Ontarians weekly. Many of our clientele are seniors, young families and special-needs citizens who are on fixed incomes. When the HST is implemented, their discretionary incomes will decrease, which in turn will negatively affect our centres.

Public bowling in our centres is already down due to the recession and H1N1. Understand that the average 24-lane centre has approximately 70,000 to 75,000 people walk through its doors annually, and this will decrease significantly. To tax a physical, social sport greatly reduces accessibility, affordability and participation for many of our clients.

Our research shows that new taxes only hurt our industry. Unlike many of our counterparts, we have never requested government assistance or bailouts, so we ask now that you please consider our customers and, at the very least, reduce the percentage to a more manageable level for individuals. At the same time, we would ask that you consider zero-rating our industry or providing us with some type of corporate tax relief so that our centres will be able to survive this transition.

Just on an aside: Because we were watching you this morning, I do understand that there is some corporate tax relief coming but it wasn't specific. We're kind of at that state right now with our margins where we would really appreciate knowing what people have in mind.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

At this point, I would turn to the government side. Mr. Arthurs, you have five minutes to start the questioning.

Mr. Wayne Arthurs: Thank you, Chair, and I'll certainly keep within that time limit. I'll be shorter because I took a moment or so at the beginning of the 2 o'clock time frame.

First, let me thank you for the presentation this morning. It's certainly drawing to everyone's attention the issues, in part, as you see them. I think you made general reference to demographic changes over time having impacted your business; the clientele that you serve.

Can you reference for me, in the last line of your presentation, "zero-rating our industry?" I'm just not familiar with that terminology.

Ms. Susan Cannon: I actually was speaking to one of our accountants, and tax-exempt, for our industry, wouldn't work. Zero-rating would, because of the amount of capital expenditure required for a lot of these businesses and a lot of the individual owners.

Zero-rating means that we could collect the credit on the input side but we wouldn't have to pass it along to the output, which is to our customers. The reason we're asking for that is because, if you look at my accountant, he has mentioned that as a bowling facility, we don't manufacture things. We're not going to get enough credit on the 8% that we aren't paying now. So what he had suggested to me is to ask for a zero rating versus an exemption.

Any time a proprietor has to put any real money into—it's not small money. It's always $100,000 or $200,000 or $300,000 investments, and a lot of these are single proprietorships. They would like to see the credit for that. But if you don't do that, which is something that doesn't happen every year annually, you're really only collecting on your vending and on your bowling. But on our side of things the insurance, the costs of our facilities, our hydro—all that kind of stuff is going to not even compare to what we're going to pay, in the 8%, out to the government.

Mr. Wayne Arthurs: So, in effect, there will be some input tax relief but not sufficient—

Ms. Susan Cannon: Not enough.

Mr. Wayne Arthurs: Not enough, in your view.

As well, you've suggested some type of corporate tax relief. This overall tax package—it is a package—includes not only the HST but it includes a considerable number of tax relief measures for business, including direct reductions in the corporate tax that people pay. So I would encourage you to have a look at the documents that are available and look at it in the context of the whole package. I think you will find within that the type of corporate tax relief that will be also a benefit to your company.

Ms. Susan Cannon: I just specifically would like to know where we find this, because to be quite honest, I've had a few people looking for things and I wasn't quite sure. The Internet is a wonderful place, but if anybody can supply me with specific websites, that would be greatly appreciated, because we do have to go back to board members.

Mr. Wayne Arthurs: The Ministry of Revenue website of the province of Ontario would be helpful, and the Ministry of Finance website as well.

There's documentation here, and it should be readily available. I don't have the copy with me. Just one second—thank you, Mr. Hoskins. This particular document was tabled earlier today: Ontario's Tax Plan for Jobs and Growth. It will certainly give you a good starting point for that review. Thank you so much.

Mr. Paul Oliveira: May I say something? Tax relief for the businesses is great. It's a great benefit for us, but if we do still have to charge our customers HST, we will lose a great percentage of our business.

Mr. Frank Klees: You won't need the tax cuts. You won't have any profits.

Ms. Susan Cannon: That's right

Mr. Paul Oliveira: Right. That's the crux of it. Certainly a tax break is a help, but we will suffer.

Mr. Wayne Arthurs: I would certainly, again, encourage you to take a look at the documentation as part of the presentation made looking for some direct corporate tax relief. I heard your submission. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation.

We will continue—

Mrs. Joyce Savoline: Just on a point of order: I'd like to thank my constituent for taking the time to come all the way from Burlington to Toronto to make this presentation and leave her business to do that.

The Vice-Chair (Mrs. Laura Albanese): That's not a point of order, but thank you very much, and we do welcome you here this afternoon. Thank you very much.

Mr. Frank Klees: On a point of order—just one moment, if I could. I raised a point of order earlier today and requested the Instant Hansard. I thank the clerks for providing it. On reading this, I think it's relevant to the proceedings that we get an explanation from the parliamentary assistant on the meaning of his words earlier today.

I'll quote from Hansard, referring to the interventions of the Ontario Real Estate Association, where he indicated that the government has heard from OREA a number of times. To quote him, which is what caused my colleague to raise the initial point of order: "I don't think that's going to change very much in that time."

The interpretation was that, notwithstanding what takes place here and the input that this committee gets, the government has already made up its mind and that we're really wasting our time. I would like to give the parliamentary assistant an opportunity to clarify his words to us so that we know that we're actually here for a purpose.

The Vice-Chair (Mrs. Laura Albanese): I'm sorry. Which page are you quoting from?

Mr. Frank Klees: I am on the second page, at the very top of the page.

The Vice-Chair (Mrs. Laura Albanese): Oh, the very top of it.

Mr. Frank Klees: The last line in that paragraph.

The Vice-Chair (Mrs. Laura Albanese): Any comments?

Mr. Wayne Arthurs: Chair, I leave it to you in part to decide whether we're going to move forward with the deputation in a timely fashion.

The query was whether or not I had pre-empted the decision of the Legislature. Clearly, if one looks at Hansard, you will find that that's not the case. My reference points were around OREA's ongoing interest in matters of this nature, and I think they made reference to the early 1990s as their first intervention on matters of this nature. It was all in that context. I think, reading Hansard, you'll clearly see that I made no presumptions about what the Legislature or committee may do.

Ms. Lisa MacLeod: Point of order.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Yes?

Ms. Lisa MacLeod: I would just like to read into the record for evidence that we received correspondence, as a committee, from the following bowleramas: from Tom England at NEB's Fun World; Hugh Hendry at Kennedy Bowl; Bowlerama West, Danny DeFrancesco; Bruce Cockburn, Chatham Bowlerama; Steve Little from Little Bowl; Hopedale Bowl, Ron and Linda Watson; Mike's Lanes from Len Barber; Bowlerama Stoney Creek, Greg Schultz; Roseland Bowl, Greg Bond—

The Vice-Chair (Mrs. Laura Albanese): Thank you. You can file those with the clerk, and they will be made public to the others.

Ms. Lisa MacLeod: I think the precedent was set that the government was able to do this. I'd just like to finish. There are not very many: Peterborough Bowlerama; Shari Boyd at Chesterville Bowling; Roger Chung of Bol-O-Drome; Carol from University Lanes—

The Vice-Chair (Mrs. Laura Albanese): Ms. MacLeod, they have been made public—indeed, filed with the clerk.

Ms. Lisa MacLeod: I think that the bowling community deserves to be heard, and they did submit these documents. I just was following the precedent apparently set by the government by adding all of their documents into the record.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. We'll now move on.

Ms. Lisa MacLeod: Under the standing orders, Madam Chair—

The Vice-Chair (Mrs. Laura Albanese): Thank you for your intervention.

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Ms. Lisa MacLeod: Under standing order 121(d), it deals with disorder in committee, and it says that we're able to continue to read this. That's standing order 121(d)—Richmond Hill Pro Bowl, Russ Fromm; Don Gorman, Rouge Hill Bowling Centre; Waterdown Lanes, Marlene Hyatt; Ed Sousa from Classic Bowl in Mississauga; Lee Hanley from Georgian Bowl; Jason Berryman—I'm not sure which one he's with; Sherwood Centre for family recreation; this one here is anonymous—they must have a Liberal member—

The Vice-Chair (Mrs. Laura Albanese): Ms. MacLeod, if I may—

Ms. Lisa MacLeod: —Dan McGinnis, Springwater Lanes Bowling Centre; Roseland Bowl—

The Vice-Chair (Mrs. Laura Albanese): I would just like to remind you that—

Ms. Lisa MacLeod: —Debbie and Brad Matheson—

The Vice-Chair (Mrs. Laura Albanese): I appreciate your point. I just wanted to remind you that we have our next presenter here for 2:15.

Ms. Lisa MacLeod: Okay. What I'll do then is, right after the builders do it, I'll continue to read the others into the record. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Ms. MacLeod.

ONTARIO HOME BUILDERS' ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I would ask at this point for the Ontario Home Builders' Association to approach the table. Please come forward. Again, I would remind you of the protocol: 10 minutes for your presentation. After that, the official opposition will have five minutes for questioning. You may begin. Please state your name for the purposes of Hansard.

Mr. Frank Giannone: Thank you, Madam Chair. Members of the committee, good afternoon. My name is Frank Giannone and I'm the immediate past president of

the Ontario Home Builders' Association. I'm here with Michael Collins-Williams of the Ontario Home Builders' Association. I'm also president of FRAM Building Group. Our company has been constructing new homes and condos across Ontario for four generations. I also have experience building in a number of other jurisdictions, including Michigan, Texas, Florida, New York and Italy, which allows me to put Ontario in context with the other jurisdictions. FRAM has built a number of award-winning projects that you may be familiar with, including the brownfield redevelopments of Port Credit village and Collingwood.

The Ontario Home Builders' Association is the voice of the residential construction industry in the province. Our association includes 4,000 member companies that are involved in all aspects of the industry and are organized into 29 local associations.

During my presidency I was very close to this issue, and it certainly has consumed a lot of my time and the association's resources over the past year.

The implementation of a single sales tax in combination with income and corporate tax reductions is a bold step to encourage investment and job growth. OHBA recognizes that the shift to a value-added tax will yield long-term economic benefits for capital investment, income growth and job creation. Furthermore, the tax reform package includes personal income tax cuts, elimination of the small business deduction surtax and reduction in the corporate income tax. From a macroeconomic tax policy level, OHBA is supportive of the direction that the provincial government has taken.

However, the harmonized sales tax has industry-specific taxation implications for residential construction. The initial harmonized sales tax proposal in the 2009 budget would have resulted in significant taxation increases for new housing and was based on a regressive tax structure with dual thresholds that the federal government negligently implemented when the GST was introduced in 1991.

When the 2009 provincial budget was released, OHBA was pleased that the government recognized that housing was different and required a sector-specific tax structure. However, the proposed tax structure would have implemented the highest marginal tax rates on the middle class with a clawback of the rebate on new homes valued above $400,000 and a complete elimination of the rebate on new homes valued over $500,000. Additionally, new rental stock would be taxed at the highest rate, negatively impacting the most susceptible. This proposed tax structure would have had devastating effects on housing affordability and would have created significant market distortions, especially for the middle class in urban communities with higher land values.

OHBA worked closely with the provincial government to review the initially-proposed regressive tax structure, and we are very appreciative that the government was willing to listen to our concerns and work with us to improve the tax structure as it applies to new housing.

OHBA is supportive of the enhanced progressive tax structure introduced in June 2009 that protects housing affordability by maintaining a 2% tax on the first $400,000 of a new home and only levies additional taxes on the incremental value over $400,000. The enhanced tax structure provides a rebate of $24,000 for all new homes valued over $400,000 without a clawback or elimination of the rebate. OHBA is supportive of this measure to protect housing affordability.

We are also supportive of the enhancements made to the tax structure to eliminate anomalies in the initial proposal with respect to the marginal tax rate. OHBA is now, in fact, strongly advocating, through our national association, for the federal government to adopt the same progressive tax structure as it applies to the GST and new housing, as the taxation federally still hits the middle class the hardest.

OHBA cautions that the complex transition to the new tax regime and potential strike disruptions this spring are of concern. Furthermore, the increased level of taxes applied to new homes over $400,000 will have long-term impacts on housing affordability unless the province reviews the threshold from time to time.

We urge the province not to make the same mistake as the federal government has with the GST, where no changes have been made to the threshold since 1991. Overall, we applaud the government for listening to the industry concerns and for making concrete changes and improvements to this tax structure. This is intelligent tax policy, as noted recently by the C.D. Howe Institute.

However, with respect to residential renovations, we have concerns that a cumulative 13% tax burden will have implications on the underground economy. The current underground or cash economy is estimated by the ALTIS Group to represent 37% of the total output for residential renovation contracts in Ontario. That's $5.2 billion in unreported economic activity happening under the table. The introduction of a single sales tax will only increase the sales tax burden from 5% to 13% and exacerbate the underground problems that the GST is responsible for within the renovation industry.

There are many other negative attributes to underground construction work. Coping with tight profit margins, the legitimate contractor has difficulty competing with his underground competitor. Health and safety standards of workers in the underground are not likely to be met. Warranties are generally non-existent, and consumers suffer with little or no recourse in the event of shoddy or unsafe workmanship. This exposes consumers to both financial and liability issues. However, for those of you around this table who are listening to this presentation, you should be most concerned about the implications on government revenues that a further shift from legitimate work to underground work will have.

The ALTIS Group estimated that an increase in the sales tax from 5% to 13% will result in significant added government revenue leakages such as loss of $298 million in GST revenue annually, loss of up to $1.6 billion in income tax revenue annually, and loss of $767 million from other revenue such as CPP, WSIB, EHT and employment insurance premiums.

To mitigate the impact of the cumulative 13% sales tax on the underground, the OHBA strongly recommends that both the provincial and federal governments introduce permanent home tax rebates for their portions of the single sales tax. The rebates will go directly to consumers and encourage the collection of receipts from legitimate businesses. The Ontario government should implement a permanent home renovation tax rebate for contractor renovations, which would rebate 5.4% of the contract value on all qualifying contractor renovations. The 5.4% is calculated as the difference between the 8% provincial portion of the sales tax and the 2.6% estimated to be currently embedded in contractor renovations as the provincial sales tax.

Similarly, the federal government should implement a new permanent home renovation tax rebate following the success of the home renovation tax credit, which would rebate 2.5% of the contract value on all qualifying contractor renovations. The 2.5% is similarly calculated as the difference between the 5% GST and the previously estimated 2.5% embedded federal sales tax.

OHBA believes that permanent home renovation tax rebates from both the provincial and federal governments directly to consumers would strongly encourage the use of legitimate contracts and create a paper trail to deter underground economic activity and stimulate the economy and probably decrease the current lost revenue.

Madam Chair and members of the committee, to summarize, the residential construction industry believes that the implementation of a single sales tax in combination with income and corporate tax reductions is a bold step to encourage investment growth; that tax reforms will have direct consequences for a number of affected industries, including residential construction; and OHBA is supportive of the enhancements made to the tax structure as it applies to new housing. This same progressive tax structure has since been copied in BC, although with a higher threshold of $525,000.

Lastly, OHBA is concerned about the impacts of the 13% single sales tax, which will compound the negative effects of GST on the volume of underground activity in the renovation sector.

I would like to thank you for your attention and interest in my presentation, and I look forward to any comments or questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. Ms. MacLeod.

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Ms. Lisa MacLeod: Welcome to the committee, gentlemen. It was great to hear from you. I certainly heard loud and clear—I'm sure my colleagues did as well—your concern with the renovation and repair sector, that it will go underground. I'm just wondering if you agree with Paul Pettipas, CEO of Nova Scotia Home Builders' Association, who said that renovators are going to suffer tremendously for the next three years.

Mr. Frank Giannone: I don't believe that the renovators are going to suffer; I think the government is going to suffer. I think the government will have lost revenue because of it. We saw that happen with the GST when it came in. We have to understand that people will seek the lowest possible price, the lowest possible way to do the renovation in their unit. What had happened in Nova Scotia was that the renovators left the legitimate workforce and they went underground. So something we should be considering is really what the impact would be on our revenue stream in comparison to what lost income we think we'd have versus what we'd really have because of the underground activity.

Ms. Lisa MacLeod: That speaks to my next point. The ALTUS Group, an economic consulting group, said that putting the HST on renovations with no rebate will curtail the reno business as well as force some legitimate contractors to go underground and do work for cash, which is what happened in Nova Scotia after harmonization. Would you agree with that?

Mr. Frank Giannone: I would agree with that.

Ms. Lisa MacLeod: Is it true that the renovation sector is about a $20-billion-a-year industry in Ontario?

Mr. Frank Giannone: Yes.

Ms. Lisa MacLeod: So we would be impacting that. You expect that that industry would be cut by 66%.

Mr. Frank Giannone: We don't see a loss in the renovation industry in terms of the amount of work; we see a loss in the legitimate business of the renovation industry.

Mr. Norm Miller: At the beginning of your presentation, I believe you said that you're supportive of parts of Bill 218, the bill that's being discussed. It's very large and affects many different provisions, not just the HST, and you're in favour of the tax cuts part of it. Was I correct in hearing that?

Mr. Frank Giannone: I'm in favour of the policy in general, not just the tax cuts part of it. But we believe that, similar to what GST did on many fronts when it was introduced, it'll have a—

Mr. Norm Miller: The corporate tax part of it—I believe there are some corporate taxes planned for the future that are to be—

Mr. Frank Giannone: Yes, as part of the whole policy together, between HST being brought in and then they've planned corporate and individual tax cuts.

Mr. Norm Miller: I guess the only thing I would point out in that is that the government raised corporate taxes 27% in their first budget in 2003, so they're kind of starting to head back in the direction we'd like to see them go and the official opposition is supportive of those reductions in corporate tax.

The other point: the increase in the underground economy. I've certainly heard from constituents who've written emails to me saying that they're competing against the cash business, the underground economy. That business has a 5% advantage right now, and the problem is, it'll be a 13% advantage post this.

Mr. Frank Giannone: Well, it's actually more than a 5% advantage when you bring into account that every time somebody does underground business, they're avoiding income tax, they're avoiding WSIB, they're

avoiding everything. So you have to look at it as an impact across all those sectors on what could happen.

Mr. Norm Miller: So how big of an advantage is it for that underground economy?

Mr. Frank Giannone: Well, it's quite a big advantage. I don't know percentage-wise what it would be, but it's quite a big advantage and we're just potentially adding another 8% to it.

Part of our strategy deals with also how you collect it. If you do the rebate, our strategy is that the rebate only be allowed by the consumer versus what happens in the homebuilding industry, where the homebuilder, within his contract, contracts the rebate back to them.

Mr. Norm Miller: So then if I'm understanding you correctly, the consumer has an incentive, I guess you'd say, to keep the receipts and ask for receipts so they can get this rebate back, and that way it creates a paper trail. So there's an actual incentive for the consumer to want to get the proper receipts and deal with legitimate business so they get this rebate?

Mr. Frank Giannone: Exactly.

The Vice-Chair (Mrs. Laura Albanese): Less than one minute left.

Mr. Frank Klees: We've seen a bit of a bubble in the home sales in the GTA over the last few months. Your assessment: How much of that activity in new home sales is as a result of the promotion that the industry has made to buy now, avoid the HST.

Mr. Frank Giannone: As it relates to the last couple of weeks—which has seen some crazy sales in condominiums, where people are realizing that Toronto specifically is a very good place to be buying real estate—very little of it, because they're buying with deliveries that are two or three years away. Therefore, they're incorporating the full new tax regime. That might be happening a bit in and around Ontario on low-rise, where you can deliver a house quicker than you can a high-rise condominium. So some of that's going on, but it would have to be in the homes that are in the $500,000-plus range, because they're the ones that are most affected by the increased tax.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. We thank you for coming here today.

Mr. Frank Giannone: Thank you.

The Vice-Chair (Mrs. Laura Albanese): That concludes—

Ms. Lisa MacLeod: Point of order, Madam Chair.

The Vice-Chair (Mrs. Laura Albanese): Yes.

Ms. Lisa MacLeod: Following the great idea by the government to submit evidence, I'd like to submit the following Brantford Expositor news article, "Make Tax Credit Permanent: OHBA," the Ontario Home Builders' Association. They are calling on the government to make the home renovation tax credit a permanent fixture. "Government Due to Lose Billions Due to Tax-Cheating Renos"—that's from the Ontario Home Builders' Association. Also, an article from yourhome.ca: "HST Has Builders Sprinting." And finally, an article in the Orangeville Banner: "HST Will Drive the Underground Economy: OHBA."

And just to finish off with the bowleramas: Pete Brown from Ridgetown Bowling Lanes; Bryan Bridgett from Pla-Mor Bowling Lanes; Brenda Budarick, Arnprior Bowling Centre; Kevin Heron from Mountain Lanes; Bertha Wu from Roseland Bowl; Gary Blair from Parkway Bowl; and Gary Sharp from Presqu'ile Lanes in Brighton.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much, Ms. MacLeod.

INVESTMENT FUNDS INSTITUTE OF CANADA

The Vice-Chair (Mrs. Laura Albanese): We would now like to call our next presenter from the Investment Funds Institute of Canada. If you could please state your name for the purposes of Hansard, you may begin right after that. Thank you.

Ms. Joanne De Laurentiis: Good afternoon. My name is Joanne De Laurentiis. I'm president and CEO of the Investment Funds Institute of Canada. I greatly appreciate the opportunity to speak to you about the impact of HST on mutual funds.

First, a word about the group I represent. The Investment Funds Institute of Canada is the national association of the Canadian investment funds industry. Individuals representing our members work in almost every town and city across Canada. The investment funds industry manages $700 billion in assets, and more than 70% of the funds held by Canadians are held in retirement savings vehicles and are helping them build their wealth.

The mutual fund industry, through tens of thousands of highly skilled workers, facilitates the provision of billions of dollars of equity and debt financing for thousands of Canadian businesses, both large and small. It provides Canadians with access to portfolio expertise and investments that were once available only to large institutional clients. With the advent of mutual funds in Canada, ordinary investors with minimal capital could, for the first time, pool their resources with others' into a professionally managed, diversified basket of securities, rather than going the more expensive and risky route of buying individual stocks and bonds. This was a major step in the democratization of investment for the average person, particularly critical when interest rates continued to fall during the 1990s.

So how does the HST impact this industry? First, I want to be clear: We are not opposed to harmonization. We agree that a single federal-provincial harmonized sales tax is better for Canada. It eliminates paying the tax on top of tax, helps make Canadian businesses more competitive, and frees many businesses from the costs of having to manage two separate tax systems.

However, we have concerns, and I'm going to frame those concerns around three themes.

First, the inequity that exists within the financial services industry in Canada: The GST, and therefore the harmonized sales tax on services provided to funds, is four to five times the sales tax on services of equal value that are provided to non-fund investments, such as GICs, a bond, or buying individual securities.

Second, Canada is an outlier when compared to other countries that have GST or value-added tax regimes. In the European Union, Australia and New Zealand, funds are treated the same; they're not treated differently from other financial products, so the inequity that we have in Canada does not exist there.

Another issue that is unique to Canada and only four other countries is that the sales tax is applied at two levels: federal and provincial. Because funds are pooled products sold across the country, regional differences in the harmonized tax add a significant complexity and cost from an administration point of view, both to the industry and tax officials, and delivers no value to the end buyer.

Third, the GST, and therefore a harmonized sales tax based on the GST, is a tax on savings, and more specifically a tax on retirement savings.

I'll elaborate on each of these themes, but first I want to give you a little background as to why this issue is a concern right now.

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When the GST was being studied in the late 1980s, the investment funds industry was very small, around 30-some-odd billion dollars in assets, whereas today it has close to $700 billion in assets. In those days, fund holders tended to be more sophisticated and well-off. Today they are average Canadians who use funds as a primary form of savings in their retirement savings plans. Fund holders now include many smaller investors who rely on funds as a way to save small amounts on a regular basis and to affordably diversify risk and get advice on planning for their future.

In 1991, when the GST was introduced, Canada chose to treat funds differently than it treated other financial products, and that was the beginning of the inequity that we have today. Let me explain what we mean by "inequity" in very simple terms. With funds, 100% of the labour involved in providing the mutual fund will be taxed at 13%, along with the computers, telecom and stationery that all financial firms pay tax on and use to supply their offerings. With respect to a GIC, where there's no advice and a lower rate of return in most cases, zero percent of labour is taxed, and it is only the tax on computers, telecommunications and stationery that is passed to the client. As three quarters to four fifths of fund costs are labour, mutual fund holders are taxed at effectively four to five times the rate that GICs, equities and other non-fund financial vehicles are. This is where we get the inequity: where fund holders pay four to five times more tax for a fund product than other financial products.

So our issue is not that mutual fund services are taxed; it's that they are taxed at a disproportionately higher level than non-fund financial products, making them more proportionately expensive for Canadians even though Canadians have come to regard funds as another financial product they can choose to build a portfolio. To explain the unequal treatment, I've included a diagram to the material that I've left with you.

How does Canada compare to other jurisdictions? To examine that question, we asked KPMG to look at several key leading jurisdictions that Canada usually looks to because they are comparable either in size or in political and economic structure. I've included a copy of the study in the material I've left with you too. Their findings showed that investment funds in the European Union, Australia and New Zealand are taxed on an equivalent basis to non-fund financial products, whether through sales tax exemption or credits, and thus they do not have the inequities in their jurisdictions that we have.

International GST models have gone more and more towards exemption for financial products, including funds. We have suggested to the federal government that it's time for Canada to modernize its GST regime to align with these other jurisdictions.

Where are we now? With the harmonization announcements by BC and Ontario, our fund holders face a significant increase in tax. The four already-harmonized provinces—Quebec, Nova Scotia, New Brunswick and Newfoundland—have not applied the higher harmonized level of tax to funds. All four provide credits or rebates to protect investors in mutual funds and to keep the businesses in their provinces competitive with those based in other jurisdictions.

How will fund holders be impacted by harmonization? As I said earlier, the mutual fund product is one that is primarily owned by middle-class Canadians: 60% of fund holders earn under $100,000 and 70% of the funds held by Canadians are held in retirement savings vehicles. Fundamentally, then, the impact of the harmonized tax is on the retirement savings of Canadians, an outcome that we think is quite undesirable given that we have a collective public policy concern about whether we are saving enough for retirement. To put this in dollar terms, last year Canadians paid an estimated $450 million more in GST on their mutual fund investments.

We have a solution. We've asked the federal government to modernize the GST policy to bring it in line with the other VAT and GST countries globally. This will remove the inequity across products. We've had very constructive discussions with Minister Duncan and his officials over the last several months, and he has agreed to support our request of the federal government.

I also want to refer to the excellent initiative recently announced by the Toronto Financial Services Alliance that is designed to enhance Toronto's position as a financial centre. A leadership council is going to drive that strategy, and two CEOs from our member firms are part of it, as are Premier McGuinty and Ministers Duncan and Flaherty. We believe that an effective tax policy is one of the critical components to the long-term success of this very important initiative for Toronto and the province of Ontario.

Our ask of you is that this parliamentary committee include in its report a strong message to the federal government in support of an immediate review to adjust the current GST policy to facilitate a level playing field for investors in Canada, to bring Canada in line with other countries, to create a workable implementation solution for businesses operating across the country and to reduce the long-term burden the HST will have on the retirement savings of Canadians.

The Vice-Chair (Mrs. Laura Albanese): Thank you for this presentation. We'll turn it over to the NDP. Mr. Prue.

Mr. Michael Prue: You've written here, "With the harmonization announcements by BC and Ontario, our fund holders face a significant increase in tax. The four already-harmonized provinces—Quebec, Nova Scotia, New Brunswick and Newfoundland—have not applied the higher harmonized level of" taxes. "All four provide credits or rebates to protect investors in mutual funds and to keep the businesses in their provinces competitive with those based in other jurisdictions."

What is to stop a person from Ontario from going to one of these four to save the tax?

Ms. Joanne De Laurentiis: We expect that the federal government will change the place-of-supply rules so that they will see through the organization—the fund company—and apply the tax to the investor. So it won't matter where you are or where you're situated; the tax will flow through and you'll be taxed for the sales that you make in the province that is harmonized.

Mr. Michael Prue: Is there anything in this bill, though, that gives you comfort? You have some hope for the federal government. Is there anything this government can do around this issue? I'm afraid of the flight of capital.

Ms. Joanne De Laurentiis: This government can make that point, as we've made it very strongly, to the federal government and say, "Let's change the policy," because there is still a bit of a leakage problem. There are still some things that firms could do to take some business out of the province; there's no doubt about that.

Mr. Michael Prue: You have written that we would become the first, or one of the first two jurisdictions in the world, to levy a sales tax on mutual and other types of funds. Do you know of any other jurisdiction in the world that does this?

Ms. Joanne De Laurentiis: There are several, but most of them, the ones that we would compare ourselves to—the European Union, Australia, New Zealand—may levy a tax, but then they provide a rebate or they provide a credit. So what they do, effectively, is they equalize the impact. They equalize the real tax on fund companies so that it's similar to the other financial institutions.

There are several, but the names don't come to mind. But they're not the ones that we would ever look to and say, "We want to compare ourselves to those." The US, for example, has none.

Mr. Michael Prue: Again, I'm worried about the leakage, not just to other provinces, but people have capital that they can invest literally around the world. Is it conceivable, unless this government changes this rule, that capital may flow south of the border to the United States and people may invest there knowing they could save a bundle?

Ms. Joanne De Laurentiis: Investors will look at this and say, "If this is going to cost me more, I have other alternatives." Many will have that alternative, although the smaller investor doesn't have that alternative because they can't; they don't have the levels of capital. But certainly: You're absolutely right.

Mr. Michael Prue: I'm worried about this tax on many fronts, but one of the key ones has to be the investment community. Pension plans that used to be quite common are going by the wayside in favour of employees paying into—I forget the exact name of it. I can never remember—

Ms. Joanne De Laurentiis: Group RSPs and—

Mr. Michael Prue: Yes. There are two different types of plans. One is the conventional plan, where everybody pays into it—

Ms. Joanne De Laurentiis: Defined benefit and defined contribution.

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Mr. Michael Prue: That's it—defined contribution. It seems to me increasingly that people only have the option of the second one, the defined contribution plan, and they do this through the medium of buying stocks and bonds and other commodities that are now going to be subject to an HST. Is this something that is going to harm the long-term future of Ontarians who have no other source of income downstream, save and except that which they can invest?

The Chair (Mrs. Laura Albanese): I would like to advise you that you have less than a minute left for questions.

Mr. Michael Prue: A minute is enough to answer this question.

The Chair (Mrs. Laura Albanese): Yes, it is. It's just a warning.

Ms. Joanne DeLaurentiis: Interestingly, those who might be lucky enough to be part of a DB or a DC plan are not the ones we worry about. The ones who we really worry about are the ones who are building their own RSPs: the group RSPs, individual RSPs. They don't have an opportunity to top that up if the markets go down or if their investments aren't quite enough. So those are the ones we worry about. That's why we've really linked this issue to—it's about retirement savings, it's about investments, and we need to really pay attention to this, because by the time we realize what's happened, it'll be too late.

The Chair (Mrs. Laura Albanese): Thank you very much.

Ms. Lisa MacLeod: Point of order, Madam Chair: I'd like to give some evidence here, if that's the term we're using. The first is an article by Shirley Won and Karen Howlett in the Globe and Mail. It says, "Ontario Deals Blow to Mutual Fund Industry: Sector Isn't Included in

Harmonized Sales Tax Exemptions, but Vows to Keep Up the Pressure for Other Means to Ease the Cost to Investors," and it cites "Stephen MacPhail, president of CI Financial Corp.," who "said he was 'disappointed' with Ontario's decision not to give the industry an exemption ... (CI is not a member of IFIC)."

The second is actually is from Tom Bradley, who wrote in the Globe and Mail on November 27: "HST will hurt investors and their nest eggs." Tom Bradley explains how Ontario's and BC's HST isn't helpful for investors. I just want to read this one line here: "Note to reader: I have an axe to grind. I own and operate a low-cost mutual fund company—and I'm hopping mad about the HST."

The Chair (Mrs. Laura Albanese): Thank you very much.

DAN WELAND

The Chair (Mrs. Laura Albanese): I would like now to call the next presenter: Mr. Dan Weland. Welcome: 10 minutes for your presentation, followed by five minutes of questioning.

Mr. Dan Weland: Thank you again so much for the opportunity to come before the committee in this manner. I come to you as a private citizen but I will introduce myself. I'm Dan Weland. I'm a senior manager with sales tax in the firm of PricewaterhouseCoopers, which is a fairly large accounting firm. So I make my living giving sales tax advice to businesses. Some of my friends think that's probably a boring job, but I enjoy it. I'm still here, so I do want to make that point up front. I've been working probably for over 25 years in the sales tax area with PricewaterhouseCoopers.

I do want to make it abundantly clear that my comments this afternoon are my own. They do not represent necessarily PricewaterhouseCoopers. We have a lot of clients who will be affected favourably and unfavourably on behalf of the HST, so I certainly do not want to have any of my comments attributed to the firm as a whole.

I will start off by saying this much, again, that this tax will hurt me personally; there's no question about that. There will be items of the HST, the 8% tax, that I'll be paying tax on, come July 1, that I do not pay tax on now: things like home renovations, home heating fuel and the fuel in my car to get me into Toronto every day and back. It may even hurt me professionally. A lot of us who are in the sales tax consulting field wonder what the future holds for us, whether this is a good thing or a bad thing for us in terms of the number of hours and the amount of business we can get from our clients. I do get a lot of work from the current Ontario sales tax and the current BC sales tax, and that will disappear after harmonization. So I say those things only as a point. There's no hidden agenda on my part in terms of personal motives here and in appearing for you this afternoon. I do want to say, though, that I am a strong and vocal supporter of this tax change. Despite the fact that it might have impact on me personally, I try to look at what's the biggest picture for the country and what benefit this will have to both Ontario and BC in particular and to Canada in general. I fully support this particular measure.

There are some aspects of it that trouble me. One aspect that particularly gives me concern is the input tax credit restrictions on large businesses that are being proposed for the first eight years. I think this is a mistake for both Ontario and BC to adopt. It's basically the same rules that Quebec has adopted, and for some strange reason we felt we had to put those into place. The complexity that adds to the whole application of the tax itself and the areas that it affects is just incredible when you start thinking about it particularly. As someone in my field that deals with a lot of sales tax consulting, I just see the areas that it affects. I would rather have that restriction disappear, but at least I take some comfort in that it will disappear after eight years. Hopefully it won't be like the temporary War Measures Act of 1917 that we're still paying income tax for.

The reason I guess I am in favour of this is that I see some very significant benefits from harmonization. One of the first benefits I see is that there's a significant reduction in the marginal rate of tax on capital. William Short has passed around one PowerPoint slide that I used. I just took it off the Ontario Ministry of Finance website, so I don't take any credit for it. But it does show a significant reduction in the effective rate of tax on capital simply as a result of sales tax harmonization. So you'll see, for example in 2009, that the effective rate of tax on capital is 32.8%, and it'll drop to 18.6% next year. Now, what does that mean? That means that businesses have much more of a—the cost of investing in capital is much reduced in the days ahead.

Michael Smart, a professor of economics at the University of Toronto, had a 2007 study. He looked at the effect of harmonization on capital investment in the Atlantic provinces. He indicated that, for the three years after harmonization, increases in capital investment rose 12% annually, higher than it was before. So that is a significant impact. Another study, a 2008 C.D. Howe Institute study, estimated that the current Ontario sales tax reduces our capital investment here in Ontario by 9%, and that the removal of it would increase our capital investment by $36 billion. To me, that indicates that at a time when we are—studies continually show that we have a less productive economy than, say, the US does. I think we want to be giving all sorts of encouragement to our businesses to further capitalize and increase their investment to be able to make us more competitive.

The second thing that I think it does is that it removes all sales taxes on exports. Currently, when an exporter sells goods—and my son is one of them; he has a company that manufactures some goods—they obviously pay the current provincial sales tax on a lot of things like furniture, fixtures, computers and so forth which they can't recover, and it gets buried in the cost of the price they charge to their international customers. The theory of a VAT, which is what we are looking at here, is basically that the tax on all business inputs gets elim-

inated, so you are able to make yourself much more competitive internationally. Again, with the value of our Canadian dollar and how it's affecting our manufacturers, I think any help we can give them is going to be very much used.

It will reduce compliance costs as well. You obviously have a single administration involved and one tax return to file, not two; one set of rules, not two sets of rules. The rules between the current Ontario sales tax and the current GST are so vastly different and so fundamentally different on objectives and policy that it raises extra complexity for businesses. So having a single set of rules obviously is very much of an advantage.

It does have more neutrality, I think, from a business perspective. I think what this does, really, is it shifts the cost of the tax from the goods sector more equally across to the services sector. Right now we don't charge Ontario sales tax on my fees for PricewaterhouseCoopers. We'll have to start doing that afterwards, but that's fair. I think most economists would say that it's better to tax all sectors of the economy equally and let the resources flow to where they're the most efficient than trying to tax the goods sector, which has been taxed much more than the services sector. So I think there are some advantages with the neutrality side of it.

Finally, I guess the value-added tax is one of the most effective means of raising tax. It is a necessary evil. We do need to have tax revenues in the door. But there's a 2004 study that I looked at, and it said the economic costs of a dollar of tax revenue is $1.13 for a VAT, where it's $2.30 for a capital tax. So I think it's probably the best, the cleanest and the simplest way to raise revenue for the government, at the same time having the least amount of impact on business competitiveness. That's really my point this morning. I just felt I needed to come forward and express my personal view that this is an area that is long overdue and should have been considered long ago. I'm open for questions.

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The Vice-Chair (Mrs. Laura Albanese): Thank you very much. We will now turn to the government side for questioning.

Mr. Charles Sousa: Thank you, Mr. Weland, for attending today and presenting your views, both as an individual and also as one who is well entrenched in this industry and in the service of tax reform.

This tax reform package, I think you'll agree, has been well publicized over this past year; it's been up for discussion at very many different levels through a number of budgets. Unfortunately, it still seems that half the story is getting out. It appears from discussions I've been having over the past year that not enough people are aware of the tax cuts, including corporate income tax cuts but also personal income tax cuts, that are also part of the package that was introduced almost a year ago.

I appreciate your comments today about the embedded input costs that are doubled or go through the system as a result of paying tax upon tax. I also appreciate your comments in regard to the reduction in paper burden and the elimination of dual tax systems—just having one level of government collecting tax—and the savings that are attributed toward that whole system.

By the way, I do appreciate your report noting that the US average, in terms of marginal effect to tax rate, is still higher than here, and that the implementation of this tax reform package not only would bring us to around the OECD average but well below, and enable us to be more competitive with our US neighbours.

My question to you, however, is around the fact that almost 83% of things we buy are already subject to 8%, and for that matter, 13%; it's that additional 17% of goods or services, in this case, that are being affected. As a result of all the tax savings and all the tax cuts that are put in, can you explain to me what you see as being the overall effect to the consumer?

Mr. Dan Weland: What I will say is that I think it's going to be virtually impossible to say whether any particular individual is better or worse off at the end of the day. What I have seen, again, is some studies that have been done on the effect of harmonization in the Atlantic provinces. I that think what is forgotten in the debate here is, yes, I'll be paying 8% extra on my haircut—well, you don't need a lot for me—and an extra 8% on my home renovations and so forth, but there will be some significant tax savings to businesses that hopefully will be passed through to consumers. For example, when I buy a new car, I pay 8% sales tax on that car now; I'll still pay 8% sales tax on the car, but the motor vehicle dealer who is selling me the car will not have paid any PST on any of his costs, so competitive pressures, hopefully, will push that out.

The TD Bank came out with a report in September suggesting, based on the Atlantic provinces' experience, that most of the tax savings will be passed along to consumers. At the end of the day, there are going to be disbelievers of that particular scenario; there will always be someone who says, "I don't believe it; I don't buy that for a minute." But to be able sustain that position, you would have to say that competitive pressures now do not allow an existing business to pass along the existing provincial sales tax. If you really believe you can't pass along the existing provincial sales tax, then with the removal of that tax, those same competitive pressures should force a reduction of prices going forward.

Mr. Charles Sousa: If I'm looking at a senior, who can make upward of $1,500 to $2,000 in tax savings or grants, can you tell me what would be the equivalent of that in purchases at 8%?

The Vice-Chair (Mrs. Laura Albanese): Just a friendly reminder: one minute left for questioning.

Mr. Dan Weland: Okay, so $1,000 divided by 8%, I guess—you do the math; I don't have a calculator in front of me.

Mr. Charles Sousa: It's around $20,000.

Mr. Dan Weland: Around $20,000, yes.

Mr. Charles Sousa: So that 17% incremental increase would be about $20,000 in additional purchases by those seniors that would be affected, either their haircuts or gas and so forth, I guess the point is, and that doesn't include

all the savings that would come through the system beyond that.

Mr. Dan Weland: Yes, that's right. You're quite right: As you point out, there are a number of point-of-sale rebates that are unique to the tax we are producing in Ontario and BC that are not in the Atlantic provinces. To that extent, a large part of the costs of the impact of the HST have been removed. There will still be some, but I honestly feel that our economy will benefit as a whole and we'll face lower prices on some of the items we buy.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. The time is up, as they would say.

Ms. Lisa MacLeod: On a point of order, Madam Chair: I think there are a few important things we need to discuss about the HST right now that I'd just like to bring to the committee's attention.

On July 1, 2010, when the Ontario government plans to introduce the new harmonized sales tax combining the Canada goods and services tax and the Ontario provincial sales tax, it will directly increase the burden on middle-income families. I would like just to talk about not the impact that it's going to have on the bottom line of families but some of the constitutional challenges.

Under the HST, Ontario is going to surrender its constitutionally granted taxation powers to the whim of future federal governments. Right now, Ontario enjoys direct taxation powers granted under the Canadian Constitution. However, under the HST plan, Ontario will give up its sales tax power to Ottawa through the federal Excise Tax Act. Once the HST is enacted, the fundamental decision about what is and what is not subject to sales tax will not be made in our Legislature in Ontario, but instead will be made in Ottawa.

We in the opposition have a concern that it's not hard to foresee the day when a federal Minister of Finance from outside Ontario will decide the fate of Ontario businesses when there is a tax dispute. It is also possible that the federal Excise Tax Act will be amended, regulations will be passed or administrative practice will change without Ontario's input or approval, in which case Ontarians will become victims of taxation without representation.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Ms. MacLeod. I would just like to remind you that we have a number of presenters that all members of committee, and you, fought hard to have—

Ms. Lisa MacLeod: Absolutely. I just have a few more points to make—

The Vice-Chair (Mrs. Laura Albanese): —and we're sort of behind with our presenting list.

Ms. Lisa MacLeod: —and I'll be very brief. Thank you very much, Chair. There are a few other points.

Under the HST, it is likely that tax-included pricing or hidden taxation will come to Ontario. I think we need to be up front about that. I think we also must be up front that there is no evidence that tax harmonization works in other federal jurisdictions, outside of Brazil, and soon India. They are the only other nations that are actually doing a value-added tax both at the subnational and national levels.

There will be hidden costs for Ontario businesses to comply with the HST. Any business that has been audited will understand the administrative burden associated with tax law compliance.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Ms. MacLeod.

Ms. Lisa MacLeod: I just have two more.

The Vice-Chair (Mrs. Laura Albanese): I would like to remind you—

Ms. Lisa MacLeod: Businesses might not reduce their base prices after the implementation of HST—

The Vice-Chair (Mrs. Laura Albanese): —that we're meeting—

Ms. Lisa MacLeod: —and once the HST is implemented, it will be difficult, if not impossible, to undo.

The Vice-Chair (Mrs. Laura Albanese): —for public hearings from 2 to 6.

Ms. Lisa MacLeod: My final point—

The Vice-Chair (Mrs. Laura Albanese): That is what we have, under the standing—

Ms. Lisa MacLeod: —is that there's a $4.3-billion poison pill. We won't be able to—

The Vice-Chair (Mrs. Laura Albanese): That's what we've been authorized to do under the order of the House.

Ms. Lisa MacLeod: Thank you. My final point is that once it's implemented, we're locked in for this five-year period. To get out of it, it's a $4.3-billion poison pill that we'll have to pay back to the federal government. I think we need to be clear with that.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your opinion.

Ms. Lisa MacLeod: I'll provide this to the clerk.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

ONTARIO TRUCKING ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): Can we move on with the next presenter, please? We would like to call the Ontario Trucking Association to come forward to the table. Thank you, and welcome. Please state your name for Hansard so it can be recorded.

Mr. David Bradley: Thank you, Madam Chair and members of the committee. I'm David Bradley, president and CEO of the Ontario Trucking Association. I'm joined by Doug Switzer, our vice-president of government relations. We're pleased to have this opportunity.

Those of you who have sat around this table for the last two decades will know that in virtually every pre-budget consultation I have made to this committee, I have argued that the current Ontario tax system is discriminatory, regressive, unproductive and inefficient, and works against investment in safety and in the environmental performance of our industry. I have argued consistently that Ontario needs to move to a harmonized, VAT-based system. So we do support the government's plan in this regard, very much so.

I've passed around one piece of paper with some pictures, and I'd like you to take a look at them. The first is a map of North America, and it shows how business

inputs in the trucking industry are handled in different jurisdictions.

In Quebec and Atlantic Canada, they get a credit on their business inputs: tractors, trailers, parts, GHG-busting technologies, and maintenance and repair labour. In most US states, that equipment is provided with an exemption.

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Ontario chose, at least in terms of cross-border trucking, back in 2001, to create another layer of provincial sales tax called the multijurisdictional vehicle tax. So we actually have to deal with three tax systems in Ontario: PST, MJVT and the GST. Not only is that administratively burdensome and costly for us, but I don't believe the province can audit that. This will simplify everybody's lives.

The next two charts were developed by the Institute of International Business at the Rotman School of Management for us. Mind you, this was back in 2004, so the actual numbers may have changed somewhat, but I don't think the relative bars change. What that shows is that in terms of the effective marginal tax rate on capital in the trucking industry, we're at a 31% disadvantage compared to truckers in Michigan, New York and Ohio.

The next chart shows the treatment of taxation of business inputs in Ontario industries, and we do know that there are some industries that get some exemptions now and others that don't. There again, the trucking industry leads the province, in terms of its major sectors, in terms of the effective marginal tax rate on our investment. No other industry in the province faces such direct competition—our trucks cross borders—and such a convoluted tax system.

So we welcome this change. We believe it's long overdue. No tax is perfect, but we're all quite familiar with the federal GST. Most of the issues have been ironed out, and we would like to see this introduced.

Those are my comments, and I'd be pleased to answer any questions. Thanks.

The Vice-Chair (Mrs. Laura Albanese): I will now turn it over to Mr. Miller from the official opposition.

Mr. Norm Miller: Thank you for your presentation today.

The way the current government is planning on implementing this tax, as we know, there's $4.3 billion coming from the federal government to the provincial government, and they're using that money for what we are calling bribes, to issue cheques to individual residents of the province over the next couple of years, I think with the last cheque arriving in people's mailboxes a few months before the next provincial election.

If you had a choice of using that money for that purpose or of reducing the rate of tax by 1%, 2% or 3%—as has been pointed out by some other presenters, the Atlantic provinces in three cases reduced the rate by 3%, and in one case 4%. If you had a choice between using that $4 billion to issue one-time cheques or having a permanent reduction, which would you prefer?

Mr. David Bradley: Well, this is my personal opinion, and I don't think any time a VAT has been introduced around the world there haven't been some adjustments in other parts of the tax system to try to address the concerns of those who may be more impacted than others. My own personal druthers would be to take the reduction in income taxes over the longer term. However, at the end of the day, whichever way is approached, I don't see that as a—

Mr. Norm Miller: Sorry; I don't mean to interrupt, but not income tax. The actual rate of the HST, of the sales tax.

Mr. David Bradley: Again, unless you're going to address the income tax side of things, no, I would not reduce the rate of the the GST necessarily.

Mr. Norm Miller: So you'd use the $4 billion to reduce corporate taxes or personal income taxes?

Mr. David Bradley: Luckily, I'm not in a position to make that decision. What I am in the position to do is to be able to tell my members that when the recovery comes, we will perhaps be able to take better advantage of it by being able to invest, for the first time in a couple of years, in new, more productive, more efficient equipment, equipment that has a lower carbon footprint and equipment that is safer. That's what I'll be telling them.

Mr. Norm Miller: To be clear, the opposition supports reducing corporate income tax and reducing personal income tax. In fact, the first thing the current government did when they were elected in 2003 was to raise corporate taxes and bring in the health tax. We have been and continue to be supportive of tax reductions.

Mr. David Bradley: May I respond on the corporate income tax?

Mr. Norm Miller: Sure.

Mr. David Bradley: I think certainly we have to have competitive corporate income tax rates; no doubt about it. That's essential to attract direct investment into the province. When we do that, that creates more freight for truckers. However, in a low-margin industry like trucking, quite frankly, reductions in the corporate income tax do not visit the same benefits on a sector like ours that they might on others.

Mr. Norm Miller: Another way they're implementing it here in Ontario is—one of the key ways business benefits is through input tax credits. In other words, you spend the money on tax and you get it back a few months later down the road, and therefore you effectively don't pay it. But the way the government is doing it is, they're denying input tax credits for the first eight years to companies, which I guess you would consider the bigger companies—companies that have $10 million or more in sales. It's a line item in the budget—$1.3 billion in denied input tax credits in year three, and it continues for eight years. That's a long time for a business. Any comments on—

Mr. Doug Switzer: Yes. My sector hasn't qualified for an income tax credit, either federally or provincially, probably since the early 1990s. The safest—

The Vice-Chair (Mrs. Laura Albanese): One minute left for questioning.

Mr. Norm Miller: It's not an income tax—

Mr. Doug Switzer: Well, what type of tax credit are you talking about?

Mr. Norm Miller: I'm talking about input tax credits as part of the HST, so when you spend the HST as part of your cost of business—

Mr. Doug Switzer: You get that now. That's the idea of a value-added tax: You get the credit.

Mr. Norm Miller: I know. My point is, they're denying it for eight years. It's a line item in the budget. It's over a billion dollars a year on companies with sales of $10 million or more.

Mr. Doug Switzer: But not across the board, and certainly not in my sector. We don't have—

Mr. Norm Miller: Do you have companies that have sales of $10 million or more?

Mr. Doug Switzer: We have some.

Mr. Norm Miller: Then they will be denied input tax credits.

Mr. Doug Switzer: Not on all products. They're paying the tax now.

Mr. Norm Miller: On about five different items. But it's significant; it's over a billion dollars a year. I just wanted to bring that to your attention, that's all.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

I would like to move forward now with the next presenter, CCI—

Ms. Lisa MacLeod: Just a quick point of order, Madam Chair: I'd just like to table this with the committee—

The Vice-Chair (Mrs. Laura Albanese): Ms. MacLeod, just a friendly reminder: The order of the House is very clear. We have a 6 p.m. cut-off that will prevent people from being heard by the committee.

Ms. Lisa MacLeod: Sure. But the standing orders are also very clear, that I have the right to do this. So I'm just going to submit to you the stakeholders calling for public consultations on the HST, and some quick quotes. I won't read them, but I will say who they're from: Rick Ludwig, past president of the Ontario Funeral Service Association; Jim Garchinski from the public sector retirees coalition; CFIB, on page 1 of their report from September 24, 2009; Satinder Chera, CFIB's Ontario director, on September 25, 2009; Peter Coleman, the National Citizens Coalition; and Christine McMillan, chair of the Councils on Aging Network of Ontario. If the clerk could circulate these quotes to all the members, that would be great.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

CANADIAN CONDOMINIUM INSTITUTE

ASSOCIATION OF CONDOMINIUM MANAGERS OF ONTARIO

The Vice-Chair (Mrs. Laura Albanese): Welcome. Please state your name, and you may begin your presentation, which can be up to 10 minutes long.

Mr. Chris Antipas: Thank you. My name is Chris Antipas and I'm the president of the Association of Condominium Managers of Ontario, ACMO, and vice-president of ICC Property Management. With me today are Armand Conant, president of the Canadian Condominium Institute of Toronto, CCI, and co-chair of the Condominium Law Group of Heenan Blakie LLP. To my right is Dean McCabe, vice-president of ACMO and a regional manager with Brookfield Residential Services Ltd.; and to my far left is Brian Horlick, a director with CCI Toronto and senior partner of the law firm of Horlick Levitt.

Thank you for the opportunity to speak with you regarding the proposed tax changes in Bill 218. We hope that before you, you have the two-page chart we handed to the clerk, as we will be referring to it during our presentation.

ACMO, which I lead, was formed in 1977 to represent the collective aims of all condominium managers. ACMO's mission is to enhance the condominium management profession in Ontario by advancing the quality performance of condominium property managers and property management companies alike.

ACMO provides formal education programs, which, coupled with experience and successful completion of an exam, culminate in the registered condominium manager—RCM—designation. The RCM designation is the largest condominium management designation in the province. Ongoing education is provided through seminars, technical bulletins, newsletters and the Condominium Manager Magazine. ACMO also provides membership to corporate members who are required to comply with a very strict corporate code of ethics.

CCI is a national, independent, non-profit organization dealing exclusively with condominium issues. Formed in 1982, CCI represents all participants in the condominium community. There are 21 chapters across Canada and seven chapters in Ontario.

CCI assists its members through education, information dissemination, publications, workshops, conferences and technical assistance. It also encourages and provides objective research for practitioners and government agencies regarding all aspects of condominium operations and advocates for higher standards in all services to the condominium community and owners. CCI Toronto is the largest chapter of CCI and, with over 1,000 members representing over 120,000 residential units, is proud to circulate to all its members The Condo Voice magazine.

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I want to start by saying that for many Ontarians, condominiums represent an affordable, sensible option for homeownership. Condo owners come from all walks of life in all dimensions of our society. Condo owners are young couples trying to establish themselves in the big city. Condo owners are newcomers to Canada who chose condominium life in the suburbs for the close sense of the community it provides as they go out and about pursuing their dreams. Condominium owners are retired people who enjoy the independence of condo living with-

out enduring the physical demands of maintaining their own home.

Over the past 10 years, many of you have no doubt seen the explosion of condominium growth in downtown Toronto in ridings like St. Paul's or Toronto Centre–Rosedale. Today, there are 7,000 residential condo corporations in Ontario, with over 504,000 individual residential units and over 1.5 million people living in them. However, you might be interested to know that with the average condominium community size in Ontario being 73 residences, the majority of condominium owners live in communities like Kitchener-Waterloo, Windsor, Sarnia, Ottawa and Sudbury, to name a few.

Research by CCI Toronto and ACMO shows that the HST is going to significantly impact those people who live in condos in all those communities. Condo owners are uniquely impacted by the HST in two ways: on a day-to-day operating budget for all condominiums and on the reserve funds condo corporations have for future major repairs and replacements. These reserve funds are mandated under the Condominium Act, 1998, to protect condominium owners. It is estimated that condominium owners are going to see their fees increase on average by 6.8% due to the HST before any other required increases are put in place in the operating budgets.

Should the government intend to go ahead with the HST, and I understand that that is their intention, then we would like to point out the significant ramifications to condominium owners on the operating budgets and the government's mandated reserve fund budgets of condos and propose a few solutions which may mitigate this impact. If you refer to our chart, you'll see what the purpose of the solution is, what the cost of the solution would be and what the impact of that would be to condominium owners.

Let me briefly talk about the impact of the HST on the operating budgets of condos and our proposed solutions. Armand will address the reserve fund.

Condominiums are locked into long-term contracts with service providers for things such as security services; heating, ventilation and air conditioning; elevator services; electricity supply; gas bulk supply; and submetering, just to name a few. We believe that the 8% increase of HST will go directly into the pockets of those suppliers. We will not be able to renegotiate any of those contracts until they expire. Consequently, condo fees will go up in the meantime.

Solutions to mitigate the HST on operating budgets include the following:

—The government should consider opening up all long-term contracts impacted by the HST; any long-term contract that is locked in on July 1, 2010, for greater than one year would be opened up for the purpose of renegotiating strictly the PST portion of the HST.

—The government should consider rebating the HST to condo corporations on a sliding scale for three years.

—The government should allow condo owners to claim a tax credit on the Ontario income tax for the HST portion for a period of five years.

Armand will now speak to you about the reserve funds and conclude our presentation. We'll then look forward to questions from the committee.

Mr. Armand Conant: Thank you, Chris. For the reserve funds, the HST is going to have a very profound effect on a consumer protection measure which the government may not be fully aware of or have considered. In order to protect condo owners from costs associated with future major repairs and replacement, each condo corporation is required, under section 93 of the Condominium Act, to carry a reserve fund to cover off such things as garage repair, window replacement, balcony restoration, interior renovations and much more. We believe that there is, collectively, right now over $1.5 billion in reserve funds in Ontario. The HST impact on expenses from reserve funds over the next three years will be in the range of $120 million. That simply was not budgeted into our corporations' plans, and that's going to hurt condo owners in a way it does not impact other homeowners.

I want to give a real-life experience of one of my clients. I have a client that is a large townhouse condominium complex. It has already budgeted and contracted to do $1 million worth of reserve fund replacement next year, mainly after July 1, and this is after the HST will kick in. No supplier has, to date, given any break on the HST for any form of input tax credit they may feel later. They might in another year or two, but not next year, when my client has to spend the money.

So now what is going to happen to this corporation? It's going to have an immediate shortfall of between $50,000 and $60,000 solely because of the HST. This, it cannot spread out over three to five years. So where are they going to get the money? A government-mandated plan to protect condo owners has just been hit with a big shortfall, and unit owners who have saved diligently for this major repair to their community have just found that they have not saved enough as a result of the HST.

We've put together some solutions that we've suggested to the government to mitigate the HST impact on reserve funds:

(1) Rebate the PST portion of the HST to condominium corporation reserve funds for a period of six years.

(2) Rebate the PST portion of the HST to condominiums' reserve funds on a sliding scale for three years.

(3) Extend the adequate funding provision of the condo act regulations to a time period for the reserve funds to top them up or adequately fund them to the year 2019. This will give the corporations more time to do that.

We've also given the clerk, or we will give afterwards, a letter we've written to the government with these suggestions that we've just made for you today. We'll be glad to provide more copies, if you wish.

In conclusion, in considering the implementation of the HST, we strongly urge the government to consider taking all or some of our solutions so that we can mitigate condo fee increases for condo owners across Ontario.

On behalf of ACMO, CCI Toronto and all CCI chapters across Ontario we wish to express our deep thanks to the committee and to Minister Wilkinson's office for hearing our concerns about the HST. We remain optimistic that we can find a solution to keep condo fees down.

Thank you very much, and we'd be pleased to take questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I would like to turn it to Mr. Prue for questions.

Mr. Michael Prue: I wish you luck. I think you're trying to make a silk purse out of a sow's ear. The government has already said that what they did for Harvey's and Tim Hortons is about the end of the money they have. Have they given you any indication that they're willing to extend you the same privileges they gave to fast-food restaurants?

Mr. Armand Conant: The answer is yes. We've been working over the last five months with the government and we've been given an indication that they are looking at several of the solutions very seriously.

Mr. Michael Prue: You have offered some solutions that are at no cost. I assume they may be looking at those. Have they given you any indication that they're going to be looking at the solutions of rebate to condo corporations that cost $21.6 million, or near to $14.4 million, or a rebate on the PST portion of HST to condo corporations, $40 million a year, or a $30-million-a-year rebate of the PST portion or anything that costs money?

Mr. Armand Conant: Go ahead, Dean.

Mr. Dean McCabe: Actually, at this point, no, we've not received any indication that financial support for these condominium communities is forthcoming. We know that some of the solutions we've presented need to be partnered not only with the regulatory and legislative changes but that some of them do require financial input to help reduce the impact on homeowners.

Mr. Michael Prue: I would put it to you—I know you're hopeful, and I always live in hope too—given the statements of both Mr. Wilkinson and Mr. Duncan in the House, there is not much manoeuvrability left in those things that can be exempted. What impact is this going to have on condominium owners seeing an approximately 6.8% increase in their fees?

Mr. Armand Conant: I'll let Dean finish that. The first part, though, is that we have been given some indication that on the financial side—the actual cost ones—they are looking at those issues. But as Dean said, they're financially based, and that will go into a finance bill and different issues down the road. But on the rest—

Mr. Dean McCabe: Speaking with respect to the impact that the 6.8% will have, if we look at the fact that an average monthly maintenance fee in the condominium community—again, average across the province—is about $300, we're looking at close to half of the income tax cuts that the homeowners are going to receive going toward supporting their maintenance fees. But that still doesn't address the finances that are required to be input into the reserve funds in order to top up that deficiency. That will have to come from many corporations, either through special assessment or budget cuts, in terms of taking the funds and setting them aside for future expenses.

1530

Mr. Michael Prue: You also asked something that isn't going to cost the government any money, but I'm wondering: In terms of legality, have you sought any legal opinions on reopening long-term service contracts? It would seem to me that it takes two sides to reopen long-term service contracts, and not many people would be willing, even for something like the contribution on a PST, to do that, out of fear that the contract would be changed and they would be the losers. Have you looked into the legality of this?

Mr. Brian Horlick: I would just want to add that we don't feel that the portion of the tax that's already embedded for the materials is going to be passed down as a savings to the condominium corporations with respect to their long-term contracts. They have a number of very significant and substantial contracts for five years or more. I think this is something on which we would be looking to the government for assistance, from a legislative point of view, because the law of contract in and of itself is not going to allow one contracting party to unilaterally amend the terms.

Mr. Michael Prue: Okay. This is an important thing you've just said, because some economists are coming and saying that businesses will pass on the savings to consumers. You do not believe that those increases in money to the contracted agencies will be passed down to the consumers, i.e., the condominium corporation?

Mr. Armand Conant: We don't agree with that.

Mr. Brian Horlick: Well, as a lawyer, maybe I'm cynical, but I—

Mr. Michael Prue: I'm a politician. I'm probably more cynical.

Mr. Brian Horlick: But I cannot see how the supplier of a long-term contract is going to pass on the embedded savings from the PST to the condo clients. I cannot see that. As we've said, if there's a year left on the contract once the HST may be coming in, that is something that would be acceptable, but if there are four, six or seven years, there are seven years of profit going into the contract. There's no way for the condominium clients, the corporations, to somehow ameliorate, to lessen, the blow of the HST.

Mr. Armand Conant: We want to make clear we're talking—

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. The time is up.

JACK MINTZ

The Vice-Chair (Mrs. Laura Albanese): I would like now to join the next presenter, via teleconferencing. It's Mr. Jack Mintz.

Ms. Lisa MacLeod: On a point of order, Chair.

The Vice-Chair (Mrs. Laura Albanese): Hello. Could you please—

Mr. Jack Mintz: Yes, I'm here. Can you hear me?

The Vice-Chair (Mrs. Laura Albanese): Yes, I can.

Ms. Lisa MacLeod: I have a few articles that I'd like to put in the record.

The Vice-Chair (Mrs. Laura Albanese): Since we have videoconferencing, could we do it right after, Ms. MacLeod?

Ms. Lisa MacLeod: Sure.

The Chair (Mrs. Laura Albanese): Thank you. I appreciate your co-operation.

Mr. Mintz, you do have up to 10 minutes for your presentation. You may now begin.

Mr. Jack Mintz: Thank you very much. I actually will be probably shorter than 10 minutes, to allow people to ask me questions. I'd be happy to do so.

First of all, let me say that I've been up before the Ontario finance committee many times. I'm sure people remember all the times that I talked about the importance of improving tax competitiveness in Ontario, particularly with respect to taxation of capital, and the need to lower corporate income taxes and to undertake sales tax harmonization.

I have to admit that seeing what happened in the 2009 budget is a very dramatic change. It has a very significant impact on Ontario with respect to its taxation of capital. It will make Ontario a much more competitive regime than it has been. In fact, Ontario, under my calculations over the years, was actually one of the worst jurisdictions when it came to taxation of capital amongst 80 countries in the world. The changes that are being done by Ontario now, where effectively the taxation of capital will be reduced by almost half, are very dramatic. The 2009 budget, both taking into account sales tax harmonization and the corporate tax reductions, is going to have a very dramatic effect on Ontario's economy over the coming decade. In fact, my estimates suggest that capital investment will rise by about $47 billion; annual incomes will rise by up to 8.8% or $29.4 billion; and 591,000 net new jobs will be created in Ontario as a result of these changes.

I will admit that the model that I used for estimating these impacts is a particular model, which I would be happy to explain to people in more detail if they wish. But conceptually, the key point is that the impact on investment and incomes in Ontario will be quite substantial over time. The HST is a very significant part of those changes that I think will be extremely helpful to the Ontario economy for a long time to come.

I will be happy to answer any questions that any committee members would like to raise.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much, Mr. Mintz. We will now turn it over to the government side.

Mr. Wayne Arthurs: Thank you, Chair. Mr. Mintz, it's Wayne Arthurs, one of the members on the government side of the table at this point in time. Thank you, first, for taking the time this afternoon.

I've got a couple of questions in the time remaining, since you did leave us some time. Mr. Sousa as well had a question pending, if time allows.

Thank you for the report you prepared, Ontario's Bold Move to Create Jobs and Growth, the impact of the 2009 Ontario budget.

There are a couple of things that I'd like you to expand upon a little bit, or comment on. One is the offer you just made to expand a bit on the jobs and income growth over time as a result of the HST and other significant tax initiatives as part of this budget; that's one.

Secondly, you're probably aware that the ways and means motion at the House of Commons passed today by a very significant vote. I think there were 30 votes against and some 192 votes in favour. Do you feel that will have any significant impact on some of the broader public policy initiatives with respect to taxation in the country and the province, and will it do anything to the business psyche at this particular point in time, with the economic downturn we've faced, in reinforcing and encouraging business initiatives in a little more positive perspective than we might have had in the absence of such strong support for the introduction of legislation federally?

Mr. Jack Mintz: Thank you very much. On your first question, let me mention two things.

First of all, I show the breakdown of the impacts of the various policy changes with respect to federal tax cuts and—you'll have to excuse me. I've had a cough for four weeks, so if I cough, please forgive me. We did look at what the various policies do, in terms of the harmonization and federal tax cuts, and the Ontario corporate income tax cuts, including the capital tax elimination.

The biggest impact of the Ontario 2009 budget and other changes that are coming in place, including federal changes and previous Ontario changes, is the HST harmonization, where in fact the decline in the marginal effective tax rate for investments in Ontario, almost two thirds of it is due to the harmonization of the sales tax. In fact, just to give you an idea, out of the $47 billion in additional investment, I estimate that about $30 billion of that, over the next decade, will be due to the HST harmonization. That has a pretty significant impact.

The other thing I want to mention, in response to your question, is the House of Commons vote today. The importance of that, I think, is the fact that both major parties at the federal level, the Liberals and the Conservatives, do recognize the importance of tax competitiveness. In fact, there's really not a major disagreement between Liberals and Conservatives at the federal level about the importance of Canada having a tax-competitive regime. This has been a policy that has been followed through by both Liberal and Conservative governments since 2000, which I think is really quite important.

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I think the vote today just confirms that, and the certainty it creates for business around the world in looking at Canada is that they see a country which is trying to welcome capital investment, trying to welcome people

creating jobs in Canada. This is quite a shift that's occurred from many years ago. When you compare that to what is now happening in some countries with very large deficits and debt overhang and an outlook in which taxes will go up quite significantly over the coming years, Canada actually has a very good environment now for businesses to come here—

The Vice-Chair (Mrs. Laura Albanese): Mr. Mintz—

Ms. Lisa MacLeod: I do have a point of order, Madam Chair.

The Vice-Chair (Mrs. Laura Albanese): One second. If I could just advise Mr. Mintz that his presentation was three minutes instead of 10; therefore, the government's side was allowed the five minutes in the rotation, and we're now splitting the rest of the seven minutes into two three-and-a-half-minute segments for the opposition parties.

Mr. Jack Mintz: Okay.

Mr. Wayne Arthurs: On a point of order, Chair: The subcommittee report and the agreement we had spoke to presentations of up to 10 minutes and questions up to five minutes, and the procedure this committee has used for some considerable time, and which was agreed upon during our subcommittee, was that we would rotate the questions amongst the parties on five-minute intervals. In my view, the fact that a deputation doesn't use all of its 10 minutes does not create an environment that we now begin splitting the question time among the parties.

Ms. Lisa MacLeod: On a point of order, Madam Chair: I would like to seek unanimous consent that the official opposition and the third party are able to question Mr. Mintz. After all, it was the Liberal government that did commission a report by Mr. Mintz that they have been touting, not only in the Ontario Legislature but also throughout the rest of Ontario. If you want this hearing to be more than a sham and a publicity stunt, and actually be legitimate, where we have an opportunity to question someone that you paid a significant amount of money to do a significant report for the taxpayers of the province, including the members of this Legislature, then you will agree to that unanimous consent request.

Mr. Wayne Arthurs: No, we don't agree.

Ms. Lisa MacLeod: This is unbelievable, undemocratic, and I can't believe it. I'm that disappointed; I'm actually disgusted.

The Vice-Chair (Mrs. Laura Albanese): Mr. Prue?

Mr. Michael Prue: If I could just state for the record that I too am disappointed. I had some questions of Mr. Mintz. The luck of the draw—I did not have a chance to ask him those questions. There was time on the clock. It was not going to displace, even for one minute, any of the other deputants. It's quite clear that the Liberal government just wants to ask the questions of Mr. Mintz that it wants answered and is afraid to let the others ask questions that they may find embarrassing.

Mr. Mintz, it is not your fault—if you're still listening to this—but I do find this atrocious behaviour, given the statement that the Chair was willing to allow you to answer, for a couple of minutes each, some questions that we had.

Mr. Wayne Arthurs: Chair, we stand, as the government, as a member, on the order of the House and the agreement of the subcommittee in the operation of the committee structure. Mr. Mintz could have taken the full 10 minutes. I would have been happy if we had more than five minutes to question him as the governing party in rotation. The reality is, that's what we had; the reality is, these are the rules by which we agreed to proceed today.

Ms. Lisa MacLeod: Well, we could have requested, and we did request, unanimous consent, and that was denied—

Mr. Wayne Arthurs: And you didn't get it.

Ms. Lisa MacLeod: —as many people were denied. We had three dozen Ontarians who tried to speak to this committee, who were denied the right to speak. I guess I'm left with only saying—you've said that you've had over 150 consultations on the HST—we would like to see those over 150 transcripts by Monday; otherwise, it is very clear that your private meetings in this public venue are nothing more than a sham.

This is disingenuous; it is unfair. We have taxpayers who should have the right to speak, and we have members of this Legislature who should have the right to ask questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Mr. Michael Prue: If I could, if Mr. Mintz is still on the line: Mr. Mintz, do you have any problems answering these questions?

Mr. Jack Mintz: Absolutely not. You know me.

Mr. Michael Prue: That's what I thought.

The Vice-Chair (Mrs. Laura Albanese): Well, unanimous consent was not conceded. And I did speak before that was asked, on advice of the Chair on how that works. But I think, Mr. Mintz, that your seven minutes have now vaporized. Thank you very much for your intervention in our committee. We shall proceed to the next presenter.

Ms. Lisa MacLeod: Just further points of order.

Mr. Norm Miller: If I may, please: Just following up on the point of order of the parliamentary assistant: He spoke of the order of the House, and I think it should be very clear that the order of the House, the time allocation motion, was brought about with the majority government and with a lot of protesting going on, and it's very prescriptive and does not give the opportunity for so many people to have their say in these proceedings.

The Vice-Chair (Mrs. Laura Albanese): Thank you. We shall proceed and call—

Ms. Lisa MacLeod: On a further point of order: Just because there are legitimate stakeholders that we need to hear from that we aren't, and as my colleague mentioned the standing orders, the time allocation motion was quite draconian.

I have this from yourhome.ca: "Condo Crowd Ramps Up for HST Fight," to go to the clerk. "Ontario Condo

Law Blog: CCI's fight Against HST Takes to the Airwaves."

Toronto Condo and Real Estate Blog has an article by Ellen Moorhouse from the Toronto Star, where she says, "Condo Crowd Ramps Up for HST Fight."

There's an interesting quote here that I think needs to be said: "'Mr. Naqvi does not know his facts or it is convenient for him to try and mislead,' business owner and Gates of Guildwood condo director Wolfgang Kirchner commented by e-mail after the meeting."

I also have a condo report by Armand Conant, whom we just heard from: "Update on HST for Condominium Corporations."

The National Post on Thursday, September 24: "Condo Managers Decry HST."

And the Globe and Mail: "It's Coming: HST May Scuttle Condo Deals," by Terrence Belford.

I'd like to table those with the committee. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

CURVES

The Vice-Chair (Mrs. Laura Albanese): I would like to call Mr. Andy Soumbos, from Curves, to approach the table. Welcome. You may begin your presentation. You have up to 10 minutes.

Mr. Andy Soumbos: Thank you for hearing me today. It's going to be hard to follow all this.

My name is Andy Soumbos. I'm a Curves franchisee and I'm here representing over 250 Ontario Curves franchises across large, mid-sized and small cities and towns in Ontario. There are thousands of members who are all opposed to the HST being charged on health club memberships and services.

The government has stated that the new HST will save money for businesses. In the fitness business, we do not see any cost-cutting benefits by imposing the HST; therefore there are no cost savings to pass on to our customers. This will make it harder to stay in business, as most fitness clubs across Ontario are independently owned and operated—operated by people who live in the same community where they do business. In these economic times, we do not need more tax.

We live in an age where obesity is a burden in our health care system each and every day. The proposed HST exemptions for food and beverages under $4, as you have just mentioned, is allowing the average person to go out and eat food that has been well documented to contribute to obesity and not pay HST on these items. This puts an enormous strain on our health care system and costs, costs that all residents of Ontario must pay today and in the future. Examples of these foods, that are listed on page 52 here, are servings of cakes, muffins, pies, pastries, tarts, cookies, doughnuts, brownies—and the list goes on.

In turn, the proposed HST is penalizing those citizens that are attempting to make a better life for themselves through exercise by adding an 8% tax to their fitness memberships. These citizens are the ones that are least likely to be a burden on the health care system and, in turn, are saving each and every taxpayer in terms of lower health care costs to the system. Why is the government penalizing these citizens that are becoming healthy? This is an unfair tax, in all our views.

The tax, in our opinion, will increase the costs of all fitness memberships across Ontario, thus making it more expensive for a customer to join and become fit. In these economic times, where people are choosing where they spend their hard-earned money very carefully, what will be the cost on the Ontario health care system if residents of Ontario stop exercising? In our view, we're encouraging poor health with this tax.

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Fitness Industry Canada is also opposed to this tax, but has indicated that a compromise would be to allow taxpayers to expense their fitness memberships and receive a tax credit. This would reward those that make the effort to stay healthy and not be a burden on health care costs. This would be an acceptable compromise on our part.

Currently, Curves franchisees are in the process of having our members, taxpayers and voters across all regions of Ontario sign a petition against this tax on fitness club memberships. Our intent is to present the petitions early in 2010. We hope this will not be necessary and that the government will make changes to the HST, as it is harmful to those citizens that are making a better life for themselves through exercise.

The Acting Chair (Mr. Bob Delaney): Done?

Mr. Andy Soumbos: Yes.

The Acting Chair (Mr. Bob Delaney): Thank you. Okay, Mr. Miller, questions?

Mr. Norm Miller: Thank you very much for your presentation today. I guess the first thing I'd say is that the petition you're working on—you said you're planning on delivering that in 2010?

Mr. Andy Soumbos: I know that it might be a little bit late, but we started it a little bit late. The reason why was that when the under-$4 items came up, we thought that was just, for lack of a better term, pathetic. You're charging people to become healthy, which is going to save money to the health care system in Ontario, but yet you're allowing everybody to go eat foods that we know create obesity. How is that fair?

Mr. Norm Miller: I totally agree with you. How many names would you have on these petitions at this point?

Mr. Andy Soumbos: At this point, I don't know. I just met with several franchisees, actually, the previous two days. There will be thousands of members that will be signing, including their family members and so on.

Mr. Norm Miller: I would just comment that it's a good thing you're one of the lucky ones that happened to be able to get in on short notice to make your views known before this committee. There are a lot of people out there, even with no advertising for these proceedings and extremely short notice, that aren't able to present to the committee.

This legislation is being rammed through very quickly. In fact, based on the time allocation motion, it basically will be passed by next Wednesday. I'm not trying to discourage you from the petitions. I still encourage you. The views of your members and owners of the Curves franchises should still have their say. I've heard from businesses in my own riding, various clubs that are concerned about there being a new tax on physical fitness, on programs for healthy living, and as you point out, it's interesting that one of the things the government has chosen to exempt is meals under $4, which in many cases is fast food. I'm as big a supporter of Tim Hortons as anyone. In fact—

Ms. Lisa MacLeod: I just got you one.

Mr. Andy Soumbos: I don't think it's so much the coffee, unless you put sugar and lots of cream in there.

Mr. Norm Miller: The coffee's okay, but maybe it's the doughnut that goes with it that wouldn't be quite as healthy. I get the point you're making. I think even the government has stated that they've got a Ministry of Health Promotion; they should be encouraging people to go to gyms to get more fit, to go play hockey, play soccer, go cross-country skiing or bicycling or whatever, and there would be a payoff for the health system. That is a point that you are making, and unfortunately what they are doing is putting a new tax on the services you are providing to people and a means for people to live healthier lifestyles in Ontario. Earlier this morning we also heard from kids' camps that are quite concerned that it's going to mean a decrease in enrolment in kids' camps—that's another opportunity for young people to develop healthy lifestyles at a young age—and they're concerned about a decline in employment as well.

So I appreciate your coming in. I think you make an excellent point that this will be a new tax on people that are trying to live healthy lifestyles. I think that makes a lot of sense. What exactly are you saying in your petition?

Mr. Andy Soumbos: Basically it's a petition that everybody's signed that they're against the HST being charged on fitness memberships.

Mr. Norm Miller: And if they do that—

Mr. Andy Soumbos: This is right across Ontario. This is every single, solitary—I mean, you're talking about well over 250 locations across Ontario. This is not one little spot. This is everywhere. Anywhere you can think of, there's a Curves franchise.

Mr. Norm Miller: What kind of effect do you think it will have on your business?

Mr. Andy Soumbos: I honestly think, right now—in our particular business, it's women only and a lot of our members are between 40—we have members who are 80 years old, 90 years old. With the aging population, this is where they're heading to get healthy. So now you're attacking the people who are in their 60s and 70s, and in some areas like Sarnia and Orillia where we have facilities, our membership is very heavily in seniors. How are they going to afford to pay an extra 8% on their memberships? They're the ones who could potentially be a burden on the health care system, but they've chosen to come and exercise and not be a burden so let's tax them. It doesn't make any sense.

Mr. Norm Miller: I think your point—

Mr. Andy Soumbos: We're not even following the Canada Food Guide on how to eat. We're encouraging, "Go eat"—I'm not going to name names, but you know who they are—"the value meals under $4."

Mr. Norm Miller: You certainly make an excellent point, that this would discourage people and make fitness less affordable for the people in the province.

The Acting Chair (Mr. Bob Delaney): And on that comment, Mr. Soumbos, I want to thank you very much for having made your presentation.

Our next deputant is Tony Guy—

Ms. Lisa MacLeod: Mr. Chair, I actually have a point of order. I have a document here I'd like to provide to the committee. It's from Mr. Mark Douglas in Georgetown, Ontario, and it's a letter from Dwight Duncan of February 21, 2008, just mere days before he decided to table his plans for HST and months before he actually tabled legislation.

I think it's important for this committee to know that Dwight Duncan said, "I have noted your concerns about sales tax harmonization, which is a complex issue. Ontario has consistently said it would not agree to harmonizing with the GST if that would increase the tax burden on Ontario taxpayers"—

The Acting Chair (Mr. Bob Delaney): Ms. MacLeod, come to order. You've indicated that you're going to table the document. We'll table the document, and we'll accept the document. You've indicated your intention to table it; you can't read it.

Our next—

Ms. Lisa MacLeod: Point of order on section 121(2): I just want to point out that particularly with respect to basic essentials, Mr. Duncan said he would never harmonize taxes on home heating, and that's included in this. I think it's important that the committee members see this, and all Ontarians should have access to these documents.

The Acting Chair (Mr. Bob Delaney): Thank you.

Mr. Frank Klees: I have a point of order, Chair, with your agreement: In light of the previous submission that we've heard, I would like to propose a motion that the committee consider. It reads as follows: That, should the HST be implemented, memberships for fitness should be exempted.

I wonder if we could get a seconder for that motion.

Ms. Lisa MacLeod: I have to move it.

Mr. Frank Klees: If you would.

Ms. Lisa MacLeod: As a member of the committee, I have to be the one who moves it, apparently; I've been advised by the clerk.

I must say, this is from my colleague, Frank Klees, who believes that—and I would move this motion: That, should the HST be implemented, for fitness memberships, they should be exempted.

That is a motion from Frank Klees, the MPP from Newmarket–Aurora. Do I have a seconder for that?

Mr. Norm Miller: I'll second it.

Ms. Lisa MacLeod: Thank you very much.

I think I would like to also have a motion with regard to the document that was just provided, where the finance minister himself said that he would not place the HST on home heating, that we actually extend that—

The Acting Chair (Mr. Bob Delaney): Ms. MacLeod, there is a motion before the floor. Let's deal with the motion that's before the floor before we consider another one.

Ms. Lisa MacLeod: Thank you very much, Mr. Chair.

The Acting Chair (Mr. Bob Delaney): Ms. MacLeod, this is a motion that is best dealt with at clause-by-clause.

Ms. Lisa MacLeod: On a point of order, Mr. Chair: My colleague Mr. Klees said it could be dealt with at clause-by-clause, but he would prefer it to be dealt with right now. We have a mover and a seconder, so we would like to proceed with that.

The Clerk of the Committee (Mr. William Short): Which motion? I'm sorry.

Ms. Lisa MacLeod: The first one. And we can do the second one, as well, afterwards.

The first one is that should the HST be implemented, fitness memberships be excluded.

The Clerk of the Committee (Mr. William Short): We'll have to take a recess and make copies of that to distribute—

Ms. Lisa MacLeod: Okay, thanks.

The Vice-Chair (Mrs. Laura Albanese): We will have to take a quick recess for a few moments, and we'll deal with that when we return. Thank you.

The committee recessed from 1601 to 1614.

The Vice-Chair (Mrs. Laura Albanese): We're reconvening. Yes, Mr. Arthurs?

Mr. Wayne Arthurs: Can you just confirm for me the voting members of the opposition, since there are four members here—

Interjection.

Mr. Wayne Arthurs: Just the two? Sorry. Okay. Thank you.

Ms. Lisa MacLeod: Unless you want the other two.

Mr. Wayne Arthurs: I felt I knew which two; I just wanted to confirm it.

The Vice-Chair (Mrs. Laura Albanese): Ms. MacLeod has moved a motion. Do you want to read it into the record?

Ms. Lisa MacLeod: I move that the Standing Committee on Finance and Economic Affairs recommends that, should the HST be implemented, fitness memberships should be exempted.

The Vice-Chair (Mrs. Laura Albanese): Any comments?

Mr. Wayne Arthurs: Motion for a recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): A recorded vote. Mr. Prue.

Mr. Michael Prue: Before I speak to this motion, I need to know and to understand the effect that it will have, because this is a motion that appears to me to be advisory. I'm not sure who's being advised, but I would think it might be the Minister of Finance or the Lieutenant Governor in Council. This would, in my view, be different from a motion that may be made to the same effect at the time that we go to clause-by-clause, because a motion could be brought forward in clause-by-clause to have the same effect that would actually change the legislation.

So there are two potentials here, and I just need to understand either from the clerk or from the Chair what the effect of this motion will be, and whether it will in any way affect the clause-by-clause deliberation on the same thing, which would actually result—or may conceivably result, because I haven't seen the motions yet—in a clause that would substantially change whether or not gym memberships or the like are subject to HST.

The Vice-Chair (Mrs. Laura Albanese): Basically, this is just a recommendation from the committee.

Mr. Michael Prue: And to whom would it go?

The Vice-Chair (Mrs. Laura Albanese): The clerk will be checking on that.

Mr. Michael Prue: Thank you, Madam Chair. I always try to cast an informed vote.

Interjection.

Mr. Wayne Arthurs: I haven't been convinced.

Ms. Lisa MacLeod: Well, the proof is the proof is the proof.

Interjections.

Mr. Wayne Arthurs: I heard the submission. I haven't been convinced yet.

Mr. Frank Klees: Are any of your members convinced?

Mr. Wayne Arthurs: I guess we'll have to wait for the vote.

Mr. Frank Klees: I think Ms. Pendergast understands. I fully expect Ms. Pendergast to support this motion. And Dr. Hoskins, who fully understands the implications of health, access to good healthy exercise.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): We have confirmed that the recommendation would go to the Ministry of Finance. Can we move to a vote? Mr. Prue.

Mr. Michael Prue: If I can speak to the motion, then, please.

The Vice-Chair (Mrs. Laura Albanese): You would like to speak to the motion?

Mr. Michael Prue: Yes, because I would like to make an amendment to the motion, because—

The Vice-Chair (Mrs. Laura Albanese): I would just caution: I know that this is a fully debatable motion; however, I would like to remind all the members that we're here to hear from presenters—

Mr. Michael Prue: I understand. If we're dealing with the motion, I'm only changing one word.

The Vice-Chair (Mrs. Laura Albanese): Yes.

Mr. Michael Prue: Okay. Where it reads, "should the HST be implemented, fitness member should be exempted." I believe that should be "fitness membership."

Ms. Lisa MacLeod: Yes, I read that in.

Mr. Michael Prue: You read that in.

Ms. Lisa MacLeod: It was a typo.

Mr. Michael Prue: Fine, then I withdraw with that. I just wanted to make sure I was voting for the right thing.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much, Mr. Prue. We move to the vote at this point.

Ayes

MacLeod, Miller, Prue.

Nays

Arthurs, Delaney, Hoskins, Pendergast, Sousa.

The Vice-Chair (Mrs. Laura Albanese): The motion is lost.

Ms. Lisa MacLeod: That is terrible.

I have another motion to move. I move that the Standing Committee of Finance and Economic Affairs recommends that, in light of the document tabled with the clerk whereby Dwight Duncan, finance minister, wrote that he would not add HST to home heating and then subsequently introduced legislation that would impose an 8% tax increase on home heating, that home heating be exempted from the HST if it is imposed.

1620

The Vice-Chair (Mrs. Laura Albanese): Any comments?

Mr. Wayne Arthurs: Recorded vote, please.

Ayes

MacLeod, Miller, Prue.

Nays

Arthurs, Delaney, Hoskins, Pendergast, Sousa.

The Vice-Chair (Mrs. Laura Albanese): I declare the motion lost.

Mr. Frank Klees: On a point of order, Madam Chair: We've now had two amendment motions that were voted down by members of the government—reasonable, certainly something that is in the scheme of things very minimal. It was an ask that was very clear from representations we've had here by thousands of people from across the province. Can the parliamentary assistant tell us why he and the government members of this committee voted that motion down?

The Vice-Chair (Mrs. Laura Albanese): Any comments?

Mr. Wayne Arthurs: Chair, I'm anxious to hear from the deputations that we're here today to hear from. The nature of those discussions and amendments, in my view, would be more appropriately dealt with in motions at clause-by-clause. I'm anxious to move on with the agenda we have before us. There are a number of deputants who wait to be heard in the time available to us.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much, Mr. Arthurs.

TONY GUY

The Vice-Chair (Mrs. Laura Albanese): I would call now Mr. Tony Guy. Could you please approach the table and state your name for the purposes of Hansard? You have up to 10 minutes to proceed with your presentation. Thank you for being so patient and for waiting.

Mr. Tony Guy: Thank you. I was christened Anthony; I go by the name Tony Guy. Good afternoon, members of the committee. I thank you for the opportunity to address you. It certainly beats writing letters to the editor, to my MPP and to the Premier.

I am currently retired and living on a non-indexed fixed income derived from investments and the CPP. This retired status may have to change if my cost of living continues to rise. I also live in a condominium and serve on its board. I am not a member of or aligned with any political party. I am not an economist, and I do not propose to argue the administrative merits of harmonizing the GST and RST/PST. I would, however, like to raise some questions and observations regarding the job creation and other benefits to business used in the government's argument in favour of this legislation.

The principal objective of my presentation is to urge the government to amend the proposed tax rate or to exempt more of the commodities and services and, by doing so, lessen the significant harmful impact on taxpayers. I also believe that the current proposal places an unfair burden on lower- and fixed-income Ontarians and will increase the gap between rich and poor in this province.

According to the Ministry of Revenue's own website, I will receive some benefits and I may receive some tax relief. I have done the calculations—I am shortening a little bit because I know we're short of time. Basically, in the first year I would have a 1% increase in the cost of living; in the second year, 5%. Based on the fact that we assume that inflation will not change dramatically, and I'm assuming that the government of the day doesn't change the tax rate, it will increase approximately 1% per year thereafter.

For someone in my fiscal position, and assuming a 5% pass-back, which the government has tabled and is likely to happen in the cost of goods, in order to make this revenue-neutral for me, I would have to buy about $22,000 worth of goods. I do not plan to do that. In fact, I cannot afford to do that.

Of this increase, approximately $450 a year is due specifically to the direct impact on the condominium fees of our particular condominium. This will seriously and adversely affect many of our residents who are either on a fixed income or are supporting young families. Our

condominium is relatively new, and thus the fees at this time are relatively low. Over time, as the need for repairs grows, this amount will increase substantially.

Condominium owners, unlike single-family home owners, do not have the freedom under the Condominium Act to defer or opt out of maintaining a reserve contingency. Additionally, we are bound to utilize contractors to maintain shared facilities and do not have the option to defer repairs or supply resident labour. My circumstances, fortunately, do not include having to pay, for example, for sports activities. For many families, these costs can run into the hundreds and even thousands of dollars a year. It seems regressive and hypocritical to tax activities that are supportive of lowering health care costs, yet exempt $4 fast food that contributes to obesity and ill health.

The government recently announced that newspaper subscriptions would be exempt from the tax. I question why. I get my news from the Internet. Why is my connection fee being taxed? It is my view that this was simply an attempt to persuade voters that the government is sensitive to their needs, or, put another way, of saying, "Let them eat cake."

If I might, I'd like to touch on a couple of other issues that I think need to be addressed and considered. I do not dispute that it is possible that there may be some administrative savings to the government in the collecting of taxes. If that is the case, I would suggest that the government disclose the value in dollars specifically and apply that increase in revenue to reducing the tax rate proposed.

The current tax plan is regressive. It places the entire increased burden on the individual taxpayer, with absolutely no guarantee that suppliers will, or will be able to, pass through any offsetting savings to that same individual taxpayer. There is also no doubt that because it increases the cost of so many basic services, like heat, light and transportation—essential services needed by all taxpayers—it places the biggest burden on middle- and lower-income families.

The government bureaucrat, bank executive or even, dare I say, MPP making over $120,000 a year uses the same amount of gas to power their car as the worker making $50,000, and the same amount to heat their house, keep the lights on or pay for cable, pet bills or kids' sports, etc. Yet the additional tax burden as a percentage increase on disposable income is far less for them. This is a tax that, once we have spent the $900 gift of our own money, will contribute to a widening of the have/have-not gap and further erode the middle class till we have only rich and poor.

The United Kingdom, which also instituted a harmonized tax many years ago, appears to have appreciated this issue and instituted a series of full and partial exemptions. Home heating supplies, gasoline and home renovations are just some of the items; I also noticed this morning that funerals are exempted from the tax in Britain.

As I indicated, I am not an economist. My background includes being a public servant in both the provincial and federal governments. For the past 20 years, I have either operated my own business or acted as a CEO in several small businesses. As a result, I have many contacts in small business. From the informal surveys I have done, none have indicated to me that they foresee benefits to their businesses that will result in either reduced costs to their customers or an expansion of their payroll. In fact, most have concerns that the additional tax burden on individual taxpayers will negatively impact growth and lead to significant increases in under-the-table transactions.

I reiterate: I am not here to argue the merits of harmonization as it pertains to simplification of the tax structure or lowering of the cost of administration. However, having read the Mintz report, I remain unconvinced that this single move will create 599,000 jobs over the next 10 years and $47 billion in new investment. If true, this would be the first example of a tax increase stimulating any economy.

We are currently in a recession. Now is the time to stimulate spending, not retard it. It is my view that the increase in tax to individual taxpayers will reduce spending and retard consumer spending.

1630

Consumption taxes are generally applied in those circumstances where the consumer has a choice to avoid or mitigate the tax by not purchasing or by reducing consumption. This is not the case with the current planned legislation. This tax includes essential commodities and services which cannot be reduced or avoided.

To use the Maritimes as an example of impact that could pertain to Ontario seems, at best, tenuous. Their economy is not similar to Ontario's. The Maritimes do not have a massive manufacturing and financial infrastructure and, in the final analysis, are smaller than Peel region. As a postscript, however, I would add that when the Maritime provinces introduced HST, they at least had the sense to reduce the combined rate.

It is well understood that this province is running a deficit of over $25 billion. If, as the government states, this legislation overall will not increase gross revenues but rather reduce them, then why make these changes now? Would it not better serve the people of this province to make these changes when our economy is in better shape?

My own view is that together with the federal grants, this tax does amount to an increase in revenues, but I have yet to see any definitive report on this.

I am constantly befuddled by the attitude of government—of any stripe—to policies, services, programs and changing needs. It always seems that they are pandering to the electorate as opposed to developing innovative approaches. I think it shows how they view our intellect and intelligence.

Government should live within its means. It should not be that the only solution to any issue is to throw more money at it, which seems more the norm these days.

The Vice-Chair (Mrs. Laura Albanese): Mr. Guy, you have less than 30 seconds to conclude.

Mr. Tony Guy: Okay, I'll try.

I understand that governments in their tenure can introduce new initiatives not originally part of their election platform. The introduction of this particular HST legislation appears not to have been included in any platform in any election, and I believe it should have been.

This legislation punishes the most vulnerable; those with low incomes, fixed incomes; seniors; and those who live in condominiums. I strongly urge the government to consider reducing the combined rate of HST tax to be charged or to exempt items essential to the basic cost of living.

I thank you very much for the time.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. I would now invite—

Interruption.

The Vice-Chair (Mrs. Laura Albanese): I would like to remind the members of the audience, or everyone who is present, that you are welcome to follow the proceedings but not participate in them. Thank you.

Mr. Prue?

Mr. Michael Prue: Yes. I'm curious about a couple of things. First of all, you went on the Ontario website, and you believe that "my wife and I will receive $900 in transitional benefits." The government often talks about $1,000 or they talk about $300 per individual. How is it you came to the conclusion you'd get $900?

Mr. Tony Guy: When you fill in the form, it gives you a result, and that's the result that came back.

Mr. Michael Prue: Okay, that's the result. All right. I'd better go on there and see. I know what's going to happen, though. Mine is going to say "zero."

You did that, and then you come to the conclusion that this is going to end up costing you a lot more money. You list $450 per year due to the impact on condominium fees. Every single person who has come here—condominium corporations, condominium owners—has come to the same conclusion. How did you come to your conclusion of $450?

Mr. Tony Guy: We did our budget exercise. We simply looked at the contract fees that we're now paying. We had to make an assumption about whether there would be any pass-back from the contractors of any of their benefits as a result of the reduction in RST or the simplification in tax. We concluded that as a result we should allow a 1% material reduction, so we used a 7% number to calculate the increase in our costs.

Mr. Michael Prue: Okay. So you were being extra cautious, even thinking that some money might be taken back by the contractor.

Mr. Tony Guy: We assumed that there might be something.

Mr. Michael Prue: There might be some. Other presenters have suggested they wouldn't hold their breath. They don't think there are going to be any at all. Those are the lawyers and economists.

Interjection.

Mr. Michael Prue: Okay. They went on to say—you make a very good point on the fast food. The deputation before yours was talking about precisely that. Does it make sense for this government, that occasionally stands up in the House and talks about public health issues, to exempt fast food and at the same time not exempt other things that will keep people healthy or that are probably better needed by people to get about their daily lives? I mean, I can do without doughnuts if I have to.

Mr. Tony Guy: I have no adequate response to your question other than to suggest to you that my belief is that this was simple pandering to the press. I don't think it had anything to do with health or anything else.

Mr. Michael Prue: You went on to talk about newspapers, and I know the newspaper lobby was here one day. Everybody from the Toronto Star to the smallest little local community paper was asking that they be exempt, and lo and behold, a day or two later they were. The magazines are now crying foul. Does it make any sense to you that the government is proposing to only exempt newspapers, but not Internet subscriptions, as you've listed, or magazines or other forms of communication?

Mr. Tony Guy: It makes absolutely no sense to me. Again, the only argument that makes any sense to me is that they did it in order to get an excuse for a sound bite and a camera visit. I don't think it has any strength other than that.

Mr. Michael Prue: Or perhaps a good editorial comment.

Mr. Tony Guy: Well, maybe. I have yet to see a good editorial comment in our papers.

Mr. Michael Prue: You went on to say that you didn't want to talk about the merits of the harmonization as it pertains to simplification of the tax structure, but you went on to talk about Mr. Mintz. I've asked this question this morning. The government members refused to allow us to question Mr. Mintz when he was on the phone. Mr. Mintz was one of the authors of an initial report of the Ontario Chamber of Commerce that said the HST would cost 40,000 jobs in the short term, over four years. He was then commissioned by the government and paid an enormous amount of money to write his own report, which then said it was going to create 591,000 jobs. You say you find this incredulous; I think everybody except Mr. Mintz and the government does, too. Can you tell us why you find this incredulous?

Mr. Tony Guy: I prefaced my comments by saying that I'm not an economist. However, I did read the same articles that you did concerning his earlier reports and his subsequent report. I think part of the reason I find it incredulous is, like any consultant, they usually tell you what the customer wants to hear. I find that is probably part of the argument.

I also saw nothing in any of his reports that, to me, demonstrated that he could make a direct correlation with simplifying the tax for business. The only thing I could find some sense in is, if we were manufacturing in Ontario and selling abroad—I could accept, in certain part, that there could be some advantages in a tax situation for Ontario companies. Unfortunately, that would negate the

argument the government is currently making that says it will be passed back to the consumer.

I believe that most of these benefits are going to go into the export business, which is not in and of itself a bad thing. I have no problem with that. I just have a problem with paying for it.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. Our time is up.

Ms. Lisa MacLeod: Just a quick point of order, Madam Chair: I wanted to say thank you very much to Mr. Guy. I think that you're just the type of person we need to hear around here, not that ivory tower elite that we have been hearing from. You'll remember that Mr. McGuinty did tell you to write a letter to the editor if you're opposed to the HST. You not only did that—and I've got that; I'm going to give it to the clerk so they can file it—but you also showed up here. I think that takes guts and courage, and you did a heck of a job.

The other thing: I'd like to see if we have unanimous consent to extend the sitting tonight so that we can get through all of the deputations. I think my colleagues here in the opposition are willing to sit here for as long as it takes to get every single person we need to hear in. So, again, we'd like to seek unanimous consent to do that.

The Vice-Chair (Mrs. Laura Albanese): Unfortunately, I am told that there is no possibility. We're only authorized to sit until 6 o'clock. We would need authorization from the House, and the House is done for the day.

Mr. Michael Prue: If I could, then, by way of courtesy: Could the clerk instruct the last two presenters not to come? It seems a shame to bring them all the way down here for nothing.

The Vice-Chair (Mrs. Laura Albanese): Unless they're already here.

Mr. Michael Prue: Okay, but if they're not, it seems that's the only courteous thing to do.

The Chair (Mrs. Laura Albanese): Yes. That would be the Ontario Chamber of Commerce and the Canadian Manufacturers and Exporters. Are they present? No. Okay.

Mr. Arthurs?

Mr. Wayne Arthurs: I don't want to prolong this because I'm anxious to hear from all the deputants that time allows us, and we can do that with the efforts of this committee. We will be very close, if not there. We will, on our next rotation, forgo our questions, so we can have the 10 minutes, and begin by making up five minutes.

1640

The Vice-Chair (Mrs. Laura Albanese): Yes, we need to make up almost 20 minutes.

Ms. Lisa MacLeod: With respect, Chair, we really feel that we need more time in this committee to thoroughly look at that bill. We've got schedule A right through W or X, Y and Z. It's an omnibus bill which should have been severed anyway, and we haven't heard one deputation for any of the other bills, with the exception of the retail sales tax. So we really feel that we need more time.

The Vice-Chair (Mrs. Laura Albanese): Ms. MacLeod, I respect that, but at the same time we're under time allocation and this is the time that we have been allowed. We're all trying to work within the parameters that we have been given, so let's pull together and put some effort into hearing all of the presenters. We're here for public hearings.

Ms. Lisa MacLeod: Thanks, Chair.

The Vice-Chair (Mrs. Laura Albanese): Mr. Klees.

Mr. Frank Klees: Chair, let's do that. But I will say, for your benefit and for the benefit of other members of this committee, there have been other occasions where committees have, by unanimous consent, notwithstanding the time allocation order of the House, agreed to extend hearings to accommodate witnesses, and we're prepared to do that. I'm sure that Hansard will co-operate.

The Vice-Chair (Mrs. Laura Albanese): My understanding is, from the advice I'm getting from the clerk, that that would not be possible unless we have unanimous consent by the House.

Mr. Frank Klees: Well, I think that's wrong. You're getting bad advice, the wrong advice.

FEDERATION OF RENTAL-HOUSING PROVIDERS OF ONTARIO

The Vice-Chair (Mrs. Laura Albanese): I would suggest that we please move forward and call the Federation of Rental-housing Providers of Ontario. Please come forward. Welcome to the committee. You have up to 10 minutes for your presentation, and if you could please state your name for the purposes of Hansard.

Mr. Mike Chopowick: Good afternoon. My name is Mike Chopowick. I'm the manager of policy for FRPO. FRPO is the Federation of Rental-housing Providers of Ontario. We represent residential landlords and property managers who provide over 250,000 rental housing suites across Ontario. Our president, Vince Brescia, sends his regrets this afternoon, as FRPO is hosting its annual awards gala where we recognize excellence and professionalism in the provision of rental housing across the province, in Toronto.

We appreciate the opportunity to provide input on the Ontario Tax Plan for More Jobs and Growth Act, 2009. I know that a lot of stakeholders and individuals wanted to express their views, so we are very grateful for the opportunity to be here today.

Today I'll be explaining to you why the implementation of the HST, as currently planned, will be devastating for the rental housing industry in Ontario and for the rental experience of tenants.

I want to state that we do appreciate the position put forth by numerous business groups and economists that harmonizing the PST with the GST is a way to make Ontario a more internationally attractive place to invest and to provide long-term economic benefits to the province. We also wanted to say that we do appreciate the corporate tax reductions in the provincial budget, and we commend the government for this positive initiative.

In the course, however, of implementing a more competitive tax system, the provincial government overlooked the acute negative impact on the rental housing sector. I'll start by explaining why the HST impacts our sector so negatively, and then I'll conclude by recommending some mitigation measures for this impact.

Residential rental housing, as you know, is one of the few types of businesses in Canada that are GST-exempt. This means that landlords pay GST on their inputs, but we don't collect GST on our rents. In addition, there are no input tax credits for rental housing. Rents are not treated like groceries, which are zero-rated. For groceries, sellers are given input tax credits for which there is no sales tax that is passed on to the customer.

When the HST is implemented, it will actually increase our industry's operating costs by about 4.8% across the board. This means that a new 8% increase in taxes will be applied to about 60% of our costs. Expenditures on things such as heat and hydro, maintenance and repair contracts, property management fees, legal fees, accounting fees, elevator repairs, snow removal, and landscaping are all examples of rental housing costs that will be subject to an 8% increase in taxes.

When you add in the forecast for regular inflation in that year by TD Economics, we expect that our costs will rise by about 6.5%, or about $400 for every rental unit in the province. This is a huge impact, and it has serious consequences.

On top of this, rental housing, unlike any other product in Ontario, is price-controlled; it's rent-controlled. That means that landlords aren't able to pass on this huge cost increase. They're going to be hit with a $400 cost increase that they can't recover. And I'll explain why $400 per home is a huge negative impact and why you should be concerned about it.

If you look at the budget of a rental building, a typical apartment building, you quickly realize that the expenditure lines are not discretionary—property taxes, mortgage payments, heat, hydro, insurance. At the end of the day, there's only one line item that's discretionary, and that is repairs, renovations and maintenance. A $400 reduction in the repair and maintenance budget represents a 45% reduction in that budget for a typical apartment building.

As it's currently being planned, the HST will result in a massive deferral of repairs and maintenance of rental stock across Ontario. This is a horrible outcome when you consider that we actually have a very aging rental stock in Ontario. Engineering studies have shown that the rental stock in this province has huge deferred maintenance issues, and large investments in the stock are required to ensure its future viability.

Something else you may not be aware of is that our industry's net operating income has been declining for the past 10 years. Over the last 10 years, the net operating income of a typical rental building in Ontario has declined by about 16%. The HST impact will be on top of this.

Now, some in the government point to corporate tax reductions as an offset. However, many landlords are made up of sole proprietorships, limited partnerships, income trusts and pension funds, and none of these will get an offset through the proposed corporate tax changes.

For tenants, there are several negative implications. They are going to see a decline in the thing that they care about most in their units: repairs and maintenance. Customer service standards will decline. The condition of their buildings will also deteriorate. Future investment in new rental housing will decline. And ultimately, whether it's next year or the year after or by 2012 or 2013, all of these costs will be passed on to tenants in the form of higher rents. This will be done immediately for buildings that are exempt from rent control, and later on through turnover or though above-guideline increases.

The bottom line is that the HST will have a huge negative impact on the residential rental sector, reducing jobs, investment, repairs and maintenance.

We've identified some solutions to this issue.

The preferred solution for the rental housing industry is a zero rating. This is a consistent position put forward federally by the Canadian Federation of Apartment Associations, and it is a strong argument for fully removing the rental housing sector from the tax base for the proposed HST. The justification for rental housing to receive the same type of treatment as basic groceries would be similar to the justification for zero-rating groceries: this shelter, which is especially dominated by low- and middle-income groups, is a basic necessity, and a tax on such a good or service is regressive. We recognize the measurable cost this would have to both the federal and provincial governments in terms of tax revenue.

A second solution is to compensate the rental housing industry for the negative impact, which could be done through input tax credits or some other form of financial assistance. We recognize this requires funding. However, the industry needs at least some transitional assistance to mitigate the sudden impact.

Reforming rent control would be a third solution. This would require the government to fix the rent control guideline to allow the industry to fully pass on the costs to our customers. The main rationale for doing this, however, is not just related to the HST. Fixing Ontario's rent control system is necessary to allow landlords to recover all normal operating costs that we face. Ontario's rental housing stock is aging, as I mentioned, and it requires more investment to be maintained, not less. But Ontario's current CPI guideline doesn't even allow for the recovery of normal industry costs. As evidence, in the year 2011 we're projecting the rent guideline to be at or close to 0%, and we already know that our industry costs that year are going to be increasing far above that, likely between 5% and 10%.

In closing, I want to state that any solution will require the government of the day to start caring more about the negative impact of policy changes on landlords. The case of the HST is a clear example of where the fortunes of both tenants and landlords are inescapably linked.

Regardless of the sales tax exemption of rent, tax rebates paid to tenants and the misguided notions behind rent control, tenants will see and experience a negative impact on their housing from the HST. We recommend that mitigation be provided before this tax is implemented in July of next year to ensure the ongoing affordability and quality of Ontario's rental housing stock.

I thank you for the opportunity to address you today.

1650

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. Mr. Arthurs?

Mr. Wayne Arthurs: I want to thank Mr. Chopowick for his deputation on behalf of the federation. The government side will not use its five minutes for questioning, in the interests of hearing the next deputation.

The Vice-Chair (Mrs. Laura Albanese): Thank you for coming down.

ONTARIO LONG TERM CARE ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I will now call to the table the Ontario Long Term Care Association, Ms. Christina Bisanz. Welcome to our committee. Please state your name for the purposes of Hansard. You will have up to 10 minutes for your presentation.

Ms. Christina Bisanz: Thank you very much for this opportunity. My name is Christina Bisanz. I am the CEO of the Ontario Long Term Care Association. With me is Pat McCarthy, who is CEO of OMNI Health Care, which is an Ontario-based organization that was just named as one of the top 100 employers in Canada.

OLTCA represents over two thirds of Ontario's long-term-care homes, covering the full spectrum of not-for-profit, municipal, charitable and private sector operators. Our member homes provide high levels of therapeutic care and accommodation to some 50,000 of Ontario's most vulnerable seniors.

Ontario publicly funds and regulates homes to deliver a standardized program regardless of ownership structure. This homogeneity ensures that residents are entitled to receive the same care and services regardless of the home or where they live. This is a fundamental respect shown to seniors for their contribution to building this great province.

The HST implementation framework will put this equity and respect in jeopardy through its unintended consequence of reducing services for the over 40,000 residents in 360 publicly funded, privately operated homes in 100 of Ontario's electoral ridings. Why? Because it saddles these homes with $12.2 million in additional operating costs, with service reductions as their only cost management alternative.

We are not here asking for an HST moratorium or exemption. We are asking for your support to protect services to those residents. The most effective answer is a federal-provincial solution that eliminates the inequity in how the HST implementation rules can be applied. In its absence, a provincial solution is required.

Let me explain. We appreciate government's intent to neutralize the HST's impact on publicly funded health care providers by extending the current municipalities, universities, schools and hospitals sector, or MUSH, GST rebates to include the provincial portion of the HST. This solution works for three of the four types of long-term-care home operators. It does not work for more than half of the homes providing services to over 50% of Ontario's long-term-care residents.

We also understand that the Canada-Ontario comprehensive integrated tax coordination agreement prohibits extending MUSH protections beyond those organizations that fit the MUSH definition in the federal Excise Tax Act. That definition currently includes only not-for-profit homes. Publicly funded, privately operated homes are excluded even though they are required to deliver the same high-level therapeutic services to the same standards with the same funding. Thus municipal, not-for-profit and charitable homes will be rebated from 50% to 100% of both their GST and provincial portion of HST costs. Their 360 publicly funded, privately operated counterparts will get zero.

Instead, those homes will pay the full HST on many items that currently do not attract PST, items such as contracted services for housekeeping, laundry and maintenance, which are important for infection control; utilities; education and training; and general administration services. These homes already absorb the full GST costs while their counterparts receive full or partial rebates. Now their costs will increase by 8%, leaving them paying 13% more than their counterparts for those services.

The HST-driven increase in annual net operating costs for these homes is some $12.2 million. These are costs that are after the impact of tax changes in this bill and supplier cost reductions. This is neither operationally sustainable nor service-delivery neutral.

Regulations prevent homes from passing on these costs, so their only option is service reductions, more specifically eliminating some 360 FTEs, or the equivalent of one FTE for each affected home.

If we have time for questions, I encourage you to ask Pat McCarthy about the impact on resident services in his 17 homes in communities such as Peterborough, Aurora, Kanata, Komoka, Picton, Lindsay and Brighton.

Long-term care in Ontario is not alone in facing this issue. British Columbia faces the same issues for the same reason.

It's also worth noting that in the absence of MUSH prohibitions, Ontario has extended MUSH coverage to all long-term-care homes on at least two previous occasions: with respect to pay equity and the electricity preferred pricing plan.

A federal-provincial solution is appropriate, beginning with changing the MUSH definition in the federal Excise Tax Act to cover all long-term-care providers, and then for the province to extend the hospital-level MUSH rebate to all homes.

Along with BC, we are pursuing this solution with the federal Minister of Finance through our membership in the Canadian alliance for long-term care. We have asked the province to support our position with the federal minister. We have not received a response.

An alternative approach is to change the CITCA wording to give Ontario the flexibility to extend MUSH sector protection to all long-term-care homes, as has previously been done.

In the absence of the foregoing, the solution responsibility must fall to the province. The province ultimately ensures that the level of its publicly funded services to its residents is equitable and not left to chance. This means finding the provincial mechanisms to avoid a service reduction to over 40,000 residents because 360 homes will have to absorb an additional $12 million in government-imposed operating costs.

We understand that while this service reduction will be triggered by this legislation, the solution likely lies outside it. Nevertheless, we believe this is a vital issue for you as legislators and as MPPs.

We therefore respectfully urge you to recommend to government that it immediately support and pursue a federal-provincial solution with the federal Minister of Finance as we have outlined; and, in the absence of a positive federal response, that it ensure that the funding and/or other mechanisms are provided to neutralize the HST impact on the level of resident services provided by all homes which deliver Ontario's long-term-care program. Thank you. We'd be pleased to answer any questions if there's time.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now turn it over to the official opposition.

Mr. Frank Klees: Thank you, Ms. Bisanz. I have the pleasure of beginning this questioning. We know each other well. I must say, for the benefit of committee members who don't know, Ms. Bisanz was the Liberal candidate who ran against me in the last election and was a formidable candidate.

I want to thank you for your submission. With regard to, first of all, one of your solutions, that perhaps a change to CITCA would resolve some of these problems: As we know, that agreement was signed, sealed, delivered and packaged away on November 9, containing that $4.3-billion poison pill. I don't have any hope, really, that that could be one of your solutions. You've made some others, and I'm hoping the government is listening.

I am going to take your advice, though, as the member for Aurora, and ask Mr. McCarthy, if you would: You have some resident services in that community, amongst others. Could you tell us, then, what the impact on resident services would be in these homes?

Mr. Pat McCarthy: Yes. We've estimated in our organization, across 17 homes, that the cost would be upwards of $480,000 annually. That would be the effect of the implementation of HST, for reasons relating to the cumulative effect of things like utilities, which is a major cost for us, maintenance contracts on air makeup units and that sort of thing being a large part. Education that is provided to our staff members is often provided through organizations and consultants, and we pride ourselves on that.

We think that across the company it would be $480,000. If one were to look at full-time equivalents in our other accommodation area, and that would include housekeeping, laundry, those sorts of areas, the only area where you can have any flexibility whatsoever in staffing. It would represent probably about 10% of our full-time equivalents, if one were to look there. One would also like to try to mitigate that by looking at perhaps reducing maintenance, which is not something we want to do, or reducing education and that sort of thing. But we'd need to mitigate, and it could be up to 10% of the FTEs that would be affected.

1700

Mr. Frank Klees: Most disconcerting.

Just very quickly, I think all of us have already been dealing with understaffing in long-term-care homes. The quality of service is suffering as a result of that understaffing and underfunding. To have this additional burden—what is the practical effect on the quality of care?

Mr. Pat McCarthy: Well, it has a real practical effect. When you think about housekeeping, laundry, these are care services that are provided—housekeepers, for example, interact every day with residents. We have housekeepers who will take home clothing to mend at home on their own time. They become like family, and they work well together, so the practical effect is devastating to the residents and the family.

In an area where infection control, for example, is a very important aspect for us, we can't reduce our staffing by that level and not affect infection control, so we'd need to look at how best we could deal with things like that.

Mr. Norm Miller: I just have, briefly, one very quick question to do with my own riding. Your description of the homes that I guess will face the full effect of the HST: you said "publicly funded, privately operated homes." I have, in my riding of Parry Sound–Muskoka, The Pines in Bracebridge, which is owned by the district of Muskoka, but it's run by Extendicare. And in Parry Sound, I have Lakeland Long Term Care, which, once again, I'm not sure that the company—it's a private company that operates in a public building. Would that be captured by this definition?

Mr. Pat McCarthy: I would be taking a little bit of a leap to answer that question. My understanding is no, they would—Lakeland, for example, is a not-for-profit organization. It's connected with the hospital; therefore, it would not be considered privately held and wouldn't face the additional cost.

Mr. Norm Miller: Okay, thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Any further questions?

Ms. Lisa MacLeod: Just quickly, have you taken into consideration what the additional cost of medical

supplies and medical subscriptions will also do to your long-term-care facilities?

The Vice-Chair (Mrs. Laura Albanese): We have less than 30 seconds for the answer.

Ms. Christina Bisanz: Yes. The number that we gave you, the $12.2 million, includes all costs after any supplier reductions as a result of the tax mitigation.

Ms. Lisa MacLeod: Thanks so much, Christina. It's good to see you again, too.

The Vice-Chair (Mrs. Laura Albanese): Thank you both very much for your presentation.

CHIEFS OF ONTARIO

The Vice-Chair (Mrs. Laura Albanese): I now move to the Chiefs of Ontario. I would ask them to approach the table and to state their names. I invite you to start your presentation.

Chief Angus Toulouse: Good evening. Thank you. I'm here with Roger Jones. My name is Angus Toulouse, Ontario regional chief.

Chairperson, honourable committee members, first of all, I want to thank you for giving me the opportunity to make this presentation. This subject is a matter of extreme importance to Ontario First Nations and First Nations people; therefore, I appreciate the opportunity to be heard.

We've just concluded a Special Chiefs Assembly, which we held here in Toronto, in the Mississaugas of New Credit territory, where we spent a great deal of time discussing the impact of the proposed HST on our communities. The chiefs are very concerned and have enacted a resolution expressing their position, which I would like to be able to table with this committee. It's in your attachments. Of course, you're also aware that we just held a rally outside this building, and I think they're still there outside this building, demonstrating First Nations opposition to the elimination of the retail sales tax point-of-sale exemption for First Nations peoples in Ontario.

I'd also like to table for consideration by this committee a report commissioned by the Chiefs of Ontario office, prepared by Professor James Hopkins, the national chair of aboriginal economic development and associate visiting professor at the University of Victoria, faculty of business and law. Professor Hopkins, who would have loved to have been here tonight but with the short notice wasn't able to be here, is an expert in taxation and First Nation economic development. He identifies the impact of the harmonized sales tax, the HST, on First Nations and proposes some changes to Bill 218 to maintain the current exemption for First Nations under the new HST. My presentation will highlight parts of Mr. Hopkins's report, but I also strongly urge committee members to review the report in detail.

Also in the package, you'll notice a letter from the Premier to Prime Minister Harper dated December 2—just yesterday.

In this presentation, I want to address three topics:

(1) the lack of consultation and accommodation of Ontario First Nations in the development of the HST proposal;

(2) the economic impact of the HST on Ontario First Nations; and

(3) recommendations on how this committee can address the concerns of Ontario First Nations.

The lack of consultation and accommodation of Ontario First Nations in the development of the HST proposal is the first part I want to make points on.

The first point I want to make for the record is that Ontario First Nations have not been meaningfully consulted and accommodated on the HST. Committee members will know that when aboriginal and treaty rights stand to be adversely affected by legislative or any crown conduct, affected First Nations are required to be consulted. This is in the Constitution Act, 1982, section 35. It also has been recognized by the Supreme Court of Canada in the Haida and Mikisew cases.

The aboriginal and treaty rights do not have to be established; they just need to be asserted. Minister Dwight Duncan agreed with First Nation leaders that the First Nation tax exemption is an aboriginal and treaty right, yet we were not consulted when the memorandum of agreement was being developed, and we were not included in consultation regarding the CITCA. Needless to say, the present point-of-sale tax exemption provided for in the Retail Sales Tax Act will be eliminated in the HST. This is a major impact and it is incomprehensible how we could have been left out of this process.

I acknowledge that Ontario has at least made some efforts to discuss our concerns and has expressed support, most recently by way of correspondence from Premier McGuinty to Prime Minister Harper, but these have not been meaningful consultations and they have not resulted in any accommodation.

Ontario blames the federal government for the failure to address our rights and interests, but the chiefs do not accept that Ontario can simply shift the blame to the federal government. Ontario has its own relationship and its own responsibilities with First Nations in Ontario, and can and must do more. The duty owed by Ontario to First Nations is specific in this case, and the federal government has no authority to force Ontario to ignore and set aside the exemption.

The federal government has ignored requests for consultation and will not respect the rights acknowledged by Ontario and under the current retail sales tax exemption. There is some hope that we may be turning a corner, as per the Premier's letter dated December 2, 2009, to Prime Minister Harper, requesting a meeting and action.

The economic impact of HST on Ontario First Nations: The constitutionally protected rights and treaty rights are not the only issues. The HST will have a negative impact on First Nation economies, yet there has been no economic impact study with respect to the increase in value-added tax paid by First Nation communities on reserve. This includes First Nation members who are on reserve, living in poverty; northern First Nation

communities that are dependent upon off-reserve vendors; and the increased agency costs absorbed by aboriginal and non-aboriginal small businesses that serve First Nation communities.

The report prepared by Professor Hopkins describes some of the horrific economic statistics and conditions prevailing in our communities, information available from existing studies. They forecast how disastrous the impact of the HST will be on our communities.

The negative impact on First Nation economies will include driving away off-reserve vendors, making it more costly to do business with First Nations that depend on outside services because of red tape. The proposed rebate won't work in the hands of those who have the least amount of money to pay the tax.

Not only will First Nations people now have to pay an additional 8%; the HST will cover all sorts of things the RST doesn't: fuel, electricity and other essentials.

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Rebates and tax credits will not work for our people. So the band councils hope to get a better input tax credit. Vendors can file and hope to get a point-of-sale accommodation. This is all discretionary. The exemption works where the point of sale happens, and this means it is a realistic reflection on how business is done on reserve.

Rebates do not match the taxes paid. Rebates come in the mail later on. Rebates won't feed us when we need the money today to buy basic goods and services. Finally, rebates assume that the federal government can implement this system across First Nations. The track record on implementation is terrible. From drinking water to simple road access in remote First Nations, the federal government does not manage the First Nations governance.

In Ontario, 25% of the First Nations are fly-ins. The HST will increase the cost of doing business and hurt economic development on a segment of Ontario's population that is less than 1%. It is targeted and mean-spirited, and not consistent with reconciliation we have been working toward.

Recommendations on how this committee can address the concerns of Ontario First Nations:

The RST exemption for First Nations can be retained under the HST. In meetings between our officials and Ontario officials, options were developed to maintain the present point-of-sale exemption with a view to implementation under Ontario's provision for flexibility in the MOA and the CITCA.

Professor Hopkins recommends another way, pursuant to legislative amendments to schedule R, the HST transition framework, as attached to Bill 218. According to Hopkins, the Legislature can do this without the agreement of the federal government. You simply carry over the current RST provisions that exempt First Nations and add them to the proposed bill so the exemptions continue to apply to the HST.

These are reasonable accommodations that will avoid significant economic hardships that would otherwise result from imposing the HST on Ontario First Nations. These accommodations are within Ontario's authority and can be implemented administratively and legislatively in a manner consistent with the scope and content of schedule R. These accommodations do not breach the CITCA with the federal government. The CITCA says that the parties can make other agreements in their best efforts to get the CITCA working.

In conclusion, because the federal government refuses to meet with us and the province, we have every reason to believe we will not be heard or dealt with fairly once this bill leaves this Legislature. Accordingly, we urge this committee not to pass the buck to Ottawa. If there is to be justice for First Nations, this Legislature should see to it. If First Nations are to be meaningfully consulted, this Legislature should ensure it. If our rights and interests are to be accommodated, then this Legislature should make sure of it.

Meegwetch. Thank you for giving the opportunity to present to you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I now turn it over to the NDP caucus for questions.

Mr. Michael Prue: I only have five minutes, so I'm going to do my best to ask a whole bunch of them.

Ms. Lisa MacLeod: Actually, Madam Chair, just given the unique status of having the regional chair here, I'm just wondering if we can extend some extra time by unanimous consent. I've raised considerable constitutional questions in the past, and that's why I'm delighted to see the regional chief here, because I think we need to discuss that. I'd be willing to extend the NDP's time by five more minutes. Given the fact that they've also got the leader of the third party here, I think, out of respect—

The Vice-Chair (Mrs. Laura Albanese): Is there unanimous consent?

Mr. Michael Prue: Agreed.

Mr. Wayne Arthurs: Chair, there's not unanimous consent. Respectfully, I understand that the member opposite knows the rules and understands the order of the House. She may not agree with that order, but that is the order of the House. It does put constraints on us, but that's the order by virtue of the consent of the House. I'm anxious to get as many of our deputants in—ideally, all of them.

The Vice-Chair (Mrs. Laura Albanese): Yes, and the time allocation can only be amended by the House, as we all know.

Ms. Lisa MacLeod: My apologies.

The Vice-Chair (Mrs. Laura Albanese): Could you please proceed with the five minutes?

Mr. Michael Prue: Ontario has a unique position in Confederation. Ontario signed both Treaty 7 and Treaty 9, to my understanding, which takes in most of northern Ontario, and is equal partners with the federal government and the First Nations communities. Is that not the case?

Chief Angus Toulouse: Ontario was certainly founded on treaties, as was pointed out by Justice Linden in the

Ipperwash inquiry. There is one segment of Ontario where there's some comprehensive claim; the Algonquin people are still waiting to get some resolution as far as their long-outstanding issues go.

Mr. Michael Prue: But the Ontario government could, at least in that whole swath of northern Ontario, act independently of the federal government, no matter what they say. That's my understanding of the law.

Chief Angus Toulouse: Yes, they can, based on what we believe are the abilities of the province. And you're right: Treaty 9, Treaty 5, Treaty 3 and Williams—there's a whole host of treaties in Ontario; 31, as a matter of fact.

Mr. Michael Prue: Excellent. Did the provincial government consult with you in any way whatsoever before they signed this secret deal with Minister Flaherty in Ottawa? I know they certainly didn't discuss anything with the NDP. Did they discuss anything with the First Nations communities?

Chief Angus Toulouse: Before they signed the MOA, is what you're talking about?

Mr. Michael Prue: Yes.

Chief Angus Toulouse: We did have some very preliminary discussions. Our point was that there were obviously some discussions, some thinking and some approaches that had taken place. What the Supreme Court says is that when that is being contemplated, that is when we need to be consulted, not after the MOA has been signed, even though we were trying to address our issues in the MOA, in the CITCA and in the legislation itself.

Mr. Michael Prue: It's quite clear, from the legal precedents, that if the government fails to consult in a meaningful way, any legislation, anything they may try to impose on First Nations communities will likely be ruled unconstitutional. Is that your understanding of those decisions?

Chief Angus Toulouse: Those are some of the legal recourses that will be available to us, that we will undertake. Again, we have to do the necessary work to have that ready for our leadership. They've asked for that analysis to be undertaken.

Mr. Michael Prue: In my travels—they're not that limited—particularly in northern Ontario and mostly in the fly-in communities, the level of poverty there is huge. But what also troubles me is that the costs for First Nations communities are outrageous. To buy almost anything from the Northern store or the equivalent in small communities, the costs are outrageous, and they are presently PST-exempt. This is going to add an 8% cost on something that people pay three, four and five times the price they would be expected to pay in Toronto. How is this going to affect poverty in those communities?

Chief Angus Toulouse: It's going to really impact. Their main source of electricity—power for lights and so on—in their communities is diesel fuel. That is their only way to provide electrification in their communities; that, in itself, plus the other services. I know that Grand Chief Stan Beardy has expressed a great deal of concern that it will impact their people. I'm not sure if there's anything technical there, Roger.

Mr. Michael Prue: The last time I was in one of these northern communities, the cost of a litre of gasoline was about $5—

The Vice-Chair (Mrs. Laura Albanese): Less than one minute left.

Mr. Michael Prue: —so if there is 8% added, that's another 40 cents on a litre of gasoline.

Chief Angus Toulouse: Yes.

Ms. Andrea Horwath: Can I just ask a question?

Mr. Michael Prue: Surely.

Ms. Andrea Horwath: I think this is why we saw what happened today, in terms of the action that happened up in the Sault Ste. Marie and the action that happened in the streets of Toronto. Could you just share with us your expectation in terms of what may happen in future weeks and months if the government does not hear the voice of First Nations on this issue?

Chief Angus Toulouse: Well, there's a resolution that I've also attached that speaks to what the chiefs talked about. It says:

"The chiefs in assembly confirm their rejection of the imposition of the … HST on all First Nations citizens, whether on- or off-reserve….

"The chiefs in assembly determine to act collectively to achieve provincial and federal government recognition of the aboriginal and treaty right to tax immunity at point of sale, whether on- or off-reserve;

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"The chiefs in assembly hereby determine to act collectively to implement the action plan, as amended;

"The chiefs in assembly direct the political confederacy to seek all possible sources of funds to support legal activities addressing the HST;

The Chiefs of Ontario shall be the central coordinator of all activities pursuant to this resolution; and

The political confederacy is directed to develop a specific action plan for consideration at this assembly."

The action plan was presented there to them and essentially gives us the marching orders to continue to work towards what we believe has historically been there, which is the tax immunity and definitely the point-of-sale exemption.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that presentation. I am sorry, but we're out of time. I'd like to move forward to the next presenter. Thank you for being here with us today.

MICHAEL SMART

The Vice-Chair (Mrs. Laura Albanese): The next presenter is Mr. Michael Smart, professor at the University of Toronto. I would invite him to approach the table and to start his presentation. I believe you've heard the protocol: up to 10 minutes for your presentation. And please state your name for the purposes of Hansard.

Mr. Michael Smart: Thank you, Madam Chair and honourable members, for your time today.

Let me start with a bit of an introduction of myself. I'm a professor of economics at the University of

Toronto and a specialist in tax policy. Most important for you today, I've written extensively on value-added taxes in Canada and around the world, and, together with my colleague Richard Bird at the University of Toronto, I've published a couple of studies on what happened in the Atlantic provinces when they adopted the HST in 1997. So when we think about the impacts in Ontario, it's probably worthwhile to think about what has already happened in harmonization in Canada.

I'm going to speak briefly. I know it's a bit of a marathon day for you. I won't be here too long. Maybe it's a bit of a change of gears too, because I'm going to try to take a bit of a big-picture focus here. I'm not going to talk about individual sectoral impacts, unless you want to talk about that. Instead, I'll just give you an overview of how economists think about this.

Economists like this reform. I'm generalizing but I'm not generalizing much to say that most economists think that this reform is good for Ontario and good for Canada. This is not just academic economists and not just right-wingers and left-wingers; it's really everybody. For example, it's pretty diverse figures. Business thinkers like Roger Martin have come out in support of this. I noticed that Hugh Mackenzie of the Canadian Centre for Policy Alternatives has also come out in support of this. This is a policy, I think, that makes sense to a lot of people.

To understand why, I think it's very important to stress that this is really the bottom line: For economists, this is not a tax grab; this is not a cut in business taxes. Instead, it's a change in the way we tax consumption in Ontario that's going to update our tax system, which is about 40 years out of date, I would say.

What's going on here is that we're going to be taxing consumers directly instead of taxing them indirectly through our current measures, which tend to tax business costs. Essentially, for economists, what we're doing is replacing a hidden tax on consumers that exists in the current RST with a visible tax on consumers. When you present it that way, Ontarians of all backgrounds and all political stripes have got to agree that a visible tax is better than a hidden tax.

Let me talk a little bit about why we think of it that way, but in particular, let me say why that's a good idea.

Reducing taxes on business costs, particularly taxes on business investment, has been shown by economic research to be absolutely key for increasing the incentives to invest and increasing productivity. In the long run, that means higher wages and better jobs for Ontarians. Without doubt, in the long run, this is a very positive effect.

Richard Bird and I, when we looked at the Atlantic provinces, found that following the introduction of the HST in 1997, machinery and equipment investment went up 12%. I'm not going to say all of that was caused by the HST, but there's a lot of reason to believe that there was a direct impact of these lower taxes on business investment, on the amount of investment. If we see anything similar in Ontario, I think it really is, frankly, a no-brainer.

That being said, the shift from taxing through businesses to taxing consumers directly is controversial; there's no doubt about it. But I want to suggest to you that the controversy that we've seen in the last few weeks especially is really seriously overblown. In particular, let me raise two points about what the impact of that tax shift is going to be.

The first is, however you think about the economics of the tax shift, it's going to be a small impact on consumers. By my estimates, the overall impact of the new taxes on consumers is about equivalent to an increase of one percentage point in everybody's personal income taxes. I'm not saying anybody would like that or welcome that, but I don't think that they would oppose it in the same way that we've seen people oppose this HST reform. So I'm suggesting that we should be aware of the magnitudes.

The second, and most important, point to make about this is that this reduction in business taxes will, through the effects of competition in the marketplace, get passed on to consumers, so that this cut in business taxes will, I think, very shortly, become a cut in prices for consumers.

As evidence of that, let me just point out very quickly that Richard Bird and I examined exactly that impact in the Atlantic provinces in 1997. What we found is that the HST reform there, as in Ontario, raised taxes in some industries and it cut taxes in other industries. When we looked at prices, roughly the same thing happened: The industries where taxes went up, prices went up; the industries where taxes went down, prices went down. In other words, the evidence is consistent with the idea that businesses pass forward these tax changes to consumers. They don't have any choice in most industries because of the effects of competition.

The actual pattern of tax changes in Ontario is going to be different than in the Atlantic provinces. If there's time, we can talk about those central impacts here. But make no mistake: There will be some commodities, some industries that will pay more tax in the new system, but the overall impact on consumer prices will certainly be very small. The other measures that the government has put in place are going to ensure, I think, that the sectoral impacts—and, most importantly, the impact on low- and middle-income Ontarians—are going to be minimal.

I think this is a reform that's good for all of Ontario. I hope that this attempt to communicate how economists think about this is of some use in your deliberations, and I welcome questions if you have them.

The Vice-Chair (Mrs. Laura Albanese): Thank you. I will turn it over to the government side. Mr. Arthurs.

Mr. Wayne Arthurs: Professor Smart, thank you very much for your deputation this afternoon. You may have been here for a bit of time and heard my earlier comment that I was going to forgo questions on our side in the interests of hearing three more deputations in the half-hour we have available. I'm tempted to take the five minutes, but I'm going to leave it in the hopes that we can get through three more deputations in the half-hour, so those folks can also be on the record in Hansard.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much, Mr. Smart—

Ms. Lisa MacLeod: I just have a quick point of order—

The Vice-Chair (Mrs. Laura Albanese): I'm sorry, but I would like to move forward with the next—

Ms. Lisa MacLeod: Okay. I just wanted to table a document from strategicthoughts.com, which says that the HST tax shift is founded on one flawed study. It's about Mr. Smart's thing.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Ms. MacLeod, but I would like to—

Ms. Lisa MacLeod: And my sister, of course, in Nova Scotia, who is unemployed and paying 16 cents a litre more in gas, probably wouldn't appreciate the HST and your assessment either.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

ONTARIO ROAD BUILDERS' ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I would like now to call the next presenter, which is the Ontario Road Builders' Association. Please come forward and approach the table and start your presentation.

I'm just trying to be fair to all of the people that we have called to be here. We're here for public hearings.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): These are the orders that we have, and they cannot be overruled. A time allocation can only be amended by the House.

Thank you. Please come forward. You have up to 10 minutes for your presentation. Welcome. Please state your name for the purposes of Hansard.

Ms. Karen Renkema: Thanks, Ms. Chairman and members of the standing committee. Good afternoon, and I thank you for having us here. My name is Karen Renkema, and I am the director of government relations for the Ontario Road Builders' Association. With me today is the president of our board of directors, Tom O'Callaghan from Fowler Construction.

ORBA is an association comprised of approximately 70 contractor members that perform work primarily for the Ministry of Transportation and municipalities across the province. We also have an additional 85 associate members. Our membership consists of both union and non-unionized road building construction firms in Ontario, who collectively represent more than 50,000 workers at peak season.

We appear here today on behalf of ORBA and its membership in support of Bill 218, a piece of legislation that truly represents the right thing to do now for Ontario: to position our province for the future and to ease pressure on industry now. It is our position that the status quo is no longer acceptable.

Before we begin to tell you the story on why change is needed for our industry, and the important impacts that change will make, I want to mention that ORBA has been an advocate for sales tax harmonization for quite some time. We are also a member of a growing non-partisan coalition of leaders, associations and members of the business community called the Smart Taxation Alliance. The coalition endorses the planned harmonization of the provincial sales tax with the federal GST as the most important measure available to stimulate economic recovery for the benefit of all Ontarians and Canadians.

Updating our sales tax system through harmonization is an essential step towards helping Ontario emerge from the current recession better able to compete in world markets and attract investment in our province. Quite simply, from our perspective, a more competitive economy that realizes an increase in investment will only help spur and support the much-needed future infrastructure investment in our province.

Our members from across the province have provided us with multiple examples of how the current system has negatively impacted their businesses, from administrative issues in dealing with the current RST, to the examples of RST audits where an auditor unfairly and unilaterally will determine that a certain activity in construction is subject to RST, sometimes four to five years after the project has been completed.

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A couple of the more easily explained examples include those materials that we use where the RST is subjected on a certain material but not another, for no clear reason. A commonly used example is those materials that we use for winter maintenance. If we use a load of just sand on provincial or municipal roads, we do not pay RST on that product, or calculate it in our price to the owner of the roads. However, if by chance that load of sand is mixed with a bit of salt, we then have to pay RST on the full load of materials and incorporate that into our pricing for the owner.

Another example that is most commonly experienced by our northern members is determining whether RST should be paid on rock. Most commonly, rock is blasted on a road corridor in order to expand a road and then is reused in the roadbed when constructing an expansion of roadway. It has been left to interpretation by both businesses and auditors on whether this is a manufacturing activity from which RST might be exempt or whether it is just reusing this material in real property. We have received reports that the interpretation of this policy, depending on which way the auditor understands the construction activity, has the ability to cost our members millions of dollars in back payment, as again the current RST rules are left up to interpretation, do not provide clarity or transparency, and in the end are not fair.

These examples provide only a part of the case for harmonization, which will provide more clarity, consistency and ease of administration under harmonization, where the applicability of it will no longer be confusing, and the administration of the tax will be consistent. Harmonization will provide the ability to increase compliance in collection of taxes in our industry and will also level the playing field for all members of an industry to operate and compete.

In addition to the administration argument, it is also important to note that currently the proportion of purchases subject to the RST varies widely by industry. We in the construction industry are significantly impacted by the favouritism that our current tax system presents, which is heavily biased against investments in construction.

Construction realizes the highest proportion of purchases subject to the RST out of all industries at 39.9%, according to the OCC's report released earlier this year, Made in Ontario: The Case for Sales Tax Harmonization. These taxes become a part of the cost of construction and are ultimately passed on in the price of construction to the buyer of construction, which in our sector is most commonly the province or municipalities.

Further to this point, I will quote the C.D. Howe report of 2008, which encouraged sales tax reform. "The variation in effective Ontario RST rates is substantial, driven in part by differences across industries in the composition of their capital and other business inputs and by the amount of processing done within the province. The effective tax rates, hidden in business costs, are 3.6 per cent for nonresidential construction, for example, and 4.5 per cent for machinery and equipment." This should be concerning to all buyers of construction.

Finally, we want to mention the capability of our industry to invest in equipment and capital. Harmonization, quite obviously, will stimulate investment in new equipment and capital in our industry, as the purchasing power of a business increases by realizing the benefits of input tax credits. Michael Smart's report for the C.D. Howe Institute estimates that there was an increase of investment in machinery and equipment by 12.1% in the Atlantic provinces after HST was implemented there. The ITCs provided under harmonization will provide a two-fold benefit to the province and its taxpayers: an increased demand for manufacturing such equipment, and a realization of these tax credits in the final price of road-building construction for the buyers of construction.

Although our presentation has focused on the benefits of harmonization to the construction industry, we also want to applaud the government for the other measures that were introduced as part of the tax reform package, including the significant reduction in the corporate income tax rate.

In Jack Mintz's recent report on the 2009 provincial budget measures, he clearly illustrates how our current RST system and corporate tax system is heavily biased against investments in construction, as the marginal effective tax rate on construction is the highest amongst all sectors, at 42.2%. However, harmonization coupled with the significant reduction in the corporate income tax rate will reduce the marginal effective tax rate on construction to 20.9% once all budget measures are implemented.

It is should be apparent, then, to the buyers of infrastructure in our province what this means for the taxpayer and the province when the bias is no longer against investing in the construction of infrastructure.

There is one more issue we would like to address today in our presentation. It is the issue of transparency and direction as it relates to the HST, public procurement and tendering by the province, most specifically the Ministry of Transportation. Our request is that, if in fact the HST is a matter of government policy and it is intended to be implemented on July 1, 2010, the MTO reflect this in their instructions to those bidding on government contracts that will extend beyond the date of implementation.

The current flawed language in MTO contracts has resulted in some confusion on how clawbacks on payments might take place post-July 1, 2010, as a result o the HST. As you can imagine, this has complicated the tendering process for many of our members. We request that the committee consider this issue as we move forward with this legislation.

In summary, Bill 218 provides clarity, consistency, transparency and a decrease of administration for our members. As the provincial and federal governments continue to focus on infrastructure investment as a means to stimulate the economy, we congratulate them for supporting a transition to a tax system that will no longer create a bias against investment in infrastructure. Thank you.

The Chair (Mrs. Laura Albanese): Thank you for that presentation. We'll now turn it over to the official opposition for questioning.

Mr. Norm Miller: Thank you very much for making your presentation today. Of course I'd like to welcome my constituent Tom O'Callaghan, from Fowler Construction in Bracebridge, here to Toronto today as well.

Part of the way this tax is being implemented is that there's an agreement that has been signed with the federal agreement, the CITCA agreement. From that there's $4.3 billion that's flowing to the province. The province is using most of that money to send cheques out to individual people over the next two years, and that's going to be a one-shot deal. I guess my question for you is: Do you agree with that or would you prefer to see a reduction in the tax rate of the HST of 1%, 2% or 3% that would be permanent?

Mr. Tom O'Callaghan: Do you want to answer? I think I'll let Karen—she's got the answer for it right at her fingertips.

Ms. Karen Renkema: As far as that money currently, I don't know if we have a concise opinion on it from the Ontario Road Builders' Association perspective. I think that moving forward, the smart thing to do would be to look at lowering personal income tax rates. But as far as where we're at on that currently, for a number of reasons, putting the money back into the hands of the consumer is what the decision was.

Mr. Norm Miller: I was asking if you agree with that, but it sounds like you're fairly non-committal. You probably don't want to take a position based on, and let the evidence—

Ms. Karen Renkema: We don't really have a position on that right now.

Mr. Norm Miller: Very good. Also, the way this is being implemented, one of the benefits to business is that you're able to claim input tax credits, so you're able to pay the tax and then get it back in the form of an input tax credit, and that is a benefit for business. I certainly recognize that. However, the way it's being implemented here in Ontario is that for companies that have sales of over $10 million, the input tax credits are denied on about five different categories of items, like automobiles and entertainment, for eight years, and it's a significant amount of money. I know in year three it's $1.3 billion. Have you got an opinion on that? It seems to me that if you're going to bring in a new tax and the benefit for business is an input tax credit, it should happen immediately, and eight years is a long time for a business to survive if they're not getting the benefit of getting the tax back.

Mr. Tom O'Callaghan: I think presently, Norm, we're feeling that there will be a benefit in our industry. We do feel that we're paying an excessive tax burden right now because of the various ways we have taxes on taxes within our industry. The general feeling around the board, and a lot of people investigating within their own outfit, is that there is going to be a benefit to our industry.

Mr. Norm Miller: I assume most of your companies would have sales of $10 million or more.

Mr. Tom O'Callaghan: Yes. I would say the majority.

Mr. Norm Miller: So have you actually analyzed to see what input tax credits are going to be denied? It's a line item in the budget. It's on page 134 of the budget, if you want to look at it, and it's over $1 billion a year, so it's a substantial amount of money.

Ms. Karen Renkema: Absolutely, but the choice of where we're at right now is much worse than what we're going to get under harmonization.

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Mr. Norm Miller: In terms of the corporate tax rate, I just want to make it clear that our party has been in favour of having competitive and lower taxes. In fact, the first thing the current government did in 2003, in their first budget—the corporate taxes were on a schedule going down and they would have been 11% in March 2004. The first budget put the rate up to 14%. It was a 27% increase in corporate tax. So we're glad they've seen the light and are starting to address, six years later, reducing corporate taxes. I just wanted to put on the record that we're absolutely supportive of that and we understand that competitive taxes are very necessary.

You also brought up concerns to do with the transition rules, and I think I'd have to take about a month to read them to be able to figure out how you operate through the transition. So I'm not quite sure how—

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds left.

Mr. Norm Miller: —business is going to do that.

You say MTO right now—is it that they don't understand the transition rules themselves, or what's happening?

Ms. Karen Renkema: Just really quickly, there has not been any clear direction from the government on how to deal with public procurement, including the Ministry of Transportation. There is different language in the Ministry of Transportation contracts as there is in other contracts.

What we're asking is that if it's clearly a direction of government public policy that we're moving toward HST, the ministry and other agencies recognize that in their public procurement process and direct bidders to bid as if the HST was being implemented on July 1, 2010, and that's been our request for a number of months now.

The Vice-Chair (Mrs. Laura Albanese): Thank you for the—

Interjection.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. Unfortunately, the time has expired.

ONTARIO CHAMBER OF COMMERCE

The Vice-Chair (Mrs. Laura Albanese): I would now call forward the next presenters, the Ontario Chamber of Commerce. Please approach the table and state your name for the purposes of Hansard. You have up to 10 minutes for your presentation.

Mr. Len Crispino: Good evening, Madam Chair and committee members. My name is Len Crispino. I'm president of the Ontario Chamber of Commerce. I'm joined by Stuart Johnston, our vice-president of policy and government relations. We want to thank you for the opportunity to express our members' views on this bill, a document that we believe contains many important initiatives that will serve to make Ontario a much more competitive jurisdiction for years to come.

There is one fundamental reason why we have long supported the significant tax reform measures contained in this bill, and that is because the status quo is just not good enough for Ontario. That is why, since 2004, the Ontario Chamber of Commerce network has been calling for significant tax reforms such as those that are outlined in Bill 218.

Over the last decade, our standard of living, or the GDP per capita, has been in decline. As the Ontario Chamber of Commerce predicted in 2005, we have been forced to rely on federal transfers for important programs. We are simply not generating enough wealth for Ontarians. The Institute for Competitiveness and Prosperity says that our prosperity gap relative to our main competitors is staggering—$10,200 per household. This is not good enough for Ontario.

Business investment in our province has been deteriorating. One of the primary reasons for this has been the antiquated high taxation system, as represented by the marginal effective tax rate on capital, or METR. Currently, Ontario's METR is over 32%, which means that for every dollar earned by a business on capital, over 32% is absorbed in taxes. This discourages key invest-

ments that create or maintain jobs. This is not good enough for Ontario.

Every leading economist and think tank in the country points to Ontario's current tax system, our retail sales tax in particular, as one of the primary obstacles to increasing prosperity, generating wealth, raising business investment, regaining our place in the Canadian federation and being better equipped to compete in the global marketplace.

More than 130 industrialized countries utilize a value-added tax system like the GST so that businesses are not penalized for purchasing products for their operations and so that layers upon layers of taxation are not built into the final price for consumers, as is the case here today in Ontario.

As you have already heard—I'm not going to repeat what some of the other presenters have mentioned—our retail sales tax is convoluted, full of contradictions and many, many exceptions. The current retail tax system requires complicated accounting. This costs time and money and creates an audit trail full of potential landmines. In addition, about $5 billion in retail sales tax paid by businesses every year is embedded in the cost of doing business. This is not good enough for Ontario.

What Ontario needs is a smart tax system: one that is simple and clear and provides the kind of revenue the government requires, one that rewards business investment so that employers throughout the province are encouraged to invest in new equipment, to expand their companies and ultimately to employ more people.

TD Bank, the Institute for Competitiveness and Prosperity, the C.D. Howe Institute, the Canadian Council of Chief Executives, the Tax Executives Institute, Certified General Accountants of Ontario, Research in Motion, road builders, railways, truckers, grocery distributors, manufacturers and exporters, automobile dealers—all of them and more agree that the tax reforms contained in Bill 218, including the tax cuts for individuals and small and mid-sized companies, and in particular the sales tax harmonization that these reforms represent, make a smarter tax system.

In part, these organizations make up a growing non-partisan coalition named the Smart Taxation Alliance. This coalition notes that the tax reforms will cut the tax rate on new investment in half. In fact, it was just this jump in Ontario's competitiveness that the BC government noted when it too decided earlier this year to harmonize its sales taxes.

If this recession has shown us one thing, it is that we need our businesses, our employers, to be competitive. Economic recovery cannot occur just on the back of government. We need the right environment that encourages companies in this province to create jobs. Ontario needs capital to flow in the economy, and when it does, jobs will follow.

Gennum Corp. in Burlington, Ontario, is a perfect example. A high-tech company that exports about 95% of its products, Gennum has examined the impacts of these tax reforms. According to Gary Mathieson, their senior manager of tax planning, it's easy for one person in their company to be tied up for two to three weeks on a PST audit, generating invoices, researching issues and responding to auditors' queries. On average, these audits take place every three years. Double the impact when you add the federal audits for the GST into the mix. If those audits occur in the same year, they've lost an employee for roughly six weeks. Dealing with one tax authority instead of two simplifies their accounting. More significantly, on the HST alone, Gennum has calculated that it will save roughly $320,000 for each year because they will no longer pay PST on various business inputs. They go on to state that this will enable the company to do other things with the savings. Top of the list: hiring more engineers.

Every company's experiences and examples are of course different, yet it's the cumulative experiences of all Ontario's businesses that add up to a net benefit to our economy.

You've all heard the research conducted by Dr. Jack Mintz. As you've heard, he estimates that the tax reforms taken together, including HST, will result in a significant boost to our economy. We need to support this tax reform in Bill 218 so that Ontario can shrink the prosperity gap and generate wealth for all Ontarians.

Recognizing that the status quo is simply not an option—it is a path to decline—we cannot afford not to implement these tax changes.

Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you, and—

Ms. Lisa MacLeod: Just quickly, Madam Chair, I would like to table two documents. These two documents are—

The Vice-Chair (Mrs. Laura Albanese): Could you please wait until—

Ms. Lisa MacLeod: One is, "Nothing's Certain, but This Tax Could Spell McGuinty's Death" by Randall Denley, and the next one is, "Poorly Timed, Badly Structured, Too Complex: McGuinty's Harmonized-sales-tax Plan Needs a Fairness Fix"—

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. I would like now to move forward with questions from the NDP.

Mr. Michael Prue: Thank you very much. We seem to run into each other from time to time.

Mr. Len Crispino: It's always a pleasure.

Mr. Michael Prue: I hope so.

You put much stock in Jack Mintz and his report. The Centre for Spatial Economics wrote a report that was commissioned by the Ontario Chamber of Commerce. It said that relative to the status quo, the HST will kill up to 40,000 jobs.

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My understanding is that Jack Mintz had a hand in that report as well. And then, later on, we have a report that says it's not going to kill 40,000 jobs; it's going to increase jobs by 591,000. Which one of these two should we believe, your report or Jack Mintz's?

Mr. Len Crispino: Well, you've asked me this question before, on TV.

Mr. Michael Prue: I know, and I'm going to ask you again.

Mr. Len Crispino: I've already answered it, but I'll repeat my answer. First of all, it's taken totally out of context. Number two, the three options that were laid out were options that were in fact not proceeded with by the government. Thirdly, we are looking at this reform package not just in terms of HST, but also the various other tax reforms that the government has chosen to implement. So, net, this is going to create many, many jobs, in the order of 591,000.

Mr. Michael Prue: I'm curious; you had this report by the Centre for Spatial Economics for a long time on your website, but you've now taken it down. Why did you choose to take it down? Was it causing you some embarrassment?

Mr. Len Crispino: It is not down. I'm not sure where you're getting your information, but it is not down. You can check now if you have your BlackBerry.

Mr. Michael Prue: I had people look for it this morning; they couldn't find it.

Mr. Len Crispino: I apologize for that, but if someone has their BlackBerry they can check it.

Mr. Stuart Johnston: If I may, Mr. Chair, you can go to taxharmonization.ca, which is linked from the OCC website. It's a specific website that we've created to have our report and link other reports and factual information about all of the tax reforms. So the report is indeed at taxharmonization.ca.

Mr. Michael Prue: I have a question about the 591,000 jobs, because I am totally and completely skeptical—as I think most people are—on that number.

We know what happened at the time of harmonization in the Maritime provinces; they each reduced their level of taxation by either 3% or 4% and then imposed the tax. Yes, there were some additional monies made available for retooling and new machinery, but in fact, the number of jobs in the Maritimes declined for the three years following that. Can you tell me why it is you think that this is now magically, in Ontario, going to produce 591,000 jobs when the reality of the Maritimes was a decline in jobs?

Mr. Len Crispino: First of all—in a minute I'll let my colleague answer—I think one needs to look at this in two different regards: Number one, the package that we're talking about is not just about HST. The government, in its wisdom, I believe, chose to implement a tax reform package in its entirety, which means that one can't just look at the HST. Unlike what happened in eastern Canada—in fact, you're quite right. However, the other tax measures, the interim tax measures, were not in place in eastern Canada, so it's very difficult to make that kind of comparison.

Mr. Michael Prue: To be fair, then, what you're saying is that the tax package, not including the HST, may create those jobs, but the HST itself will not.

Mr. Len Crispino: I think you're taking it out of context. What we're saying is that one needs to look at the entire effect, the entire impact on the province. You can't just take one slice and say, "Okay, well, this alone"—

Interjection.

Mr. Michael Prue: I believe your colleague wants to say something.

Mr. Len Crispino: Yes, go ahead.

Mr. Stuart Johnston: No. I think Mr. Crispino is handling it very well.

Mr. Michael Prue: Okay, but the contentious issue isn't so much all of the tax items—although some of them, in and of themselves, are contentious—the contentious issue to the public is the HST and the claims of what the HST is going to do. You've said yourself, and I thank you for your candour, that in and of itself, it's not going to create the jobs. The other tax measures may.

Mr. Len Crispino: I didn't say that.

Mr. Michael Prue: Do you think the HST is going to actually create jobs?

Mr. Len Crispino: Yes, I think that the HST will, in fact, because of the improved competitiveness of companies who can decrease their costs of production, and that is going to be passed on to the consumer.

Mr. Michael Prue: What about service industries?

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I believe our time is up at the moment.

CANADIAN MANUFACTURERS AND EXPORTERS

The Vice-Chair (Mrs. Laura Albanese): I would like now to call forward our last presenter, the Canadian Manufacturers and Exporters. Thank you for being with us tonight. I don't know if you will have all of the 10 minutes; I believe you'll have six minutes for your presentation.

Mr. Ian Howcroft: Thank you very much for the opportunity to make a brief presentation. We promise to make our brief even briefer, given time constraints.

My name is Ian Howcroft, and I'm vice-president of the Ontario division of Canadian Manufacturers and Exporters, and with me is our director of policy, Paul Clipsham.

Notwithstanding the current economic challenge that manufacturing and exporting has been dealing with over the last several years, it continues to be the single largest sector in the province, contributing almost $300 billion to the provincial economy. Further, manufacturing directly employs 800,000 Ontarians, and another 1.5 million Ontarians are indirectly employed in and dependent on manufacturing.

Impressive as these numbers are, it's still a far cry from the peak of 1.1 million in 2002. I think it's also important to note that every dollar invested in manufacturing generates $3.25 in total economic activity. Consequently, it's crucial that we do all we can to retain

the manufacturing base we have and grow that as we move forward. Our current standard of living and quality of life are greatly impacted and supported by manufacturing. The manufacturing and exporting sector is also on the cutting edge of innovation.

We're all aware that we are emerging from what has been a deep and protracted recession. Manufacturers and exporters have been impacted significantly. Manufacturing shipments are down 13% from a year ago, and our November survey of manufacturers does indicate that 68% of companies have had to cut their workforce over the last 12 months. Companies are adapting quickly to the changing circumstances, but more has to be done. They're taking the necessary steps to survive in a very challenging global environment.

However, more must be done here in Ontario to help the manufacturing sector and to protect the jobs that we have and that we all value. CME was very pleased to see that the government is taking bold steps to address challenges that are impacting manufacturers and exporters. In particular, we strongly support the proposed harmonization of the PST with the GST. A harmonized sales tax has been a long priority for CME, and we are pleased that Ontario has introduced a bill that would greatly assist our challenged sector: the two million workers who depend on manufacturing, and the entire province that benefits from the wealth created by manufacturers. Failure to harmonize will be another challenge manufacturers will have to deal with, and this could cause enormous challenges for companies, which could impact the viability of many of them.

We encourage this committee to recommend the passage of the bill so that we can move forward with a tax system that makes economic sense and that will help to build the province's value-added sector. One thing this recession has taught us is that we can't support the lifestyles and a standard of living just by spinning other people's debt. We need to focus on the value-add, and that's what manufacturers do. Let's move forward and help manufacturers do what they do best.

I'll now ask Paul just to talk about some of the specific recommendations in the brief moments left.

Mr. Paul Clipsham: Thanks. I'll be very brief. It's coming to the end of a very long day for you guys, and I commend you on sitting through it this long.

CME is supportive of the harmonized sales tax and the implementation approach detailed in the bill. We feel there's always room for improvement, and we have two specific recommendations that, if implemented, would derive maximum benefit to manufacturers, exporters and the Ontario economy. They are: the elimination of input tax credit restrictions on HST as quickly as fiscally possible, and the implementation of point-of-purchase input tax credits for manufacturers on the sales tax so that they have this exemption. It would certainly help ease some of the burden on manufacturers if this were to be implemented. But in general terms, CME is very supportive of the harmonization approach as outlined in the bill.

We also have some recommendations for going forward, which are in the package, and I encourage you to look at the details of those, but I won't go through that at this point.

Thanks very much for your time and your attention.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation—I know you had to shorten it—and thank you for your patience.

This brings to a close the deputations. We have one minute left.

Mr. Wayne Arthurs: Chair, since we have the minute: We did give up some time in the interests of getting here, so thank you for the presentation and doing it in that short period of time.

My question to think about—it's more of a take-away, I guess, with the time available—today's ways and means; very strong support federally by the federal Liberals, the federal Conservatives of the governing party, and the Bloc: Is that type of political support a strong signal internationally, as it rolls out, of the willingness of this country to be more competitive in its tax policy?

Mr. Ian Howcroft: In one word, yes.

Mr. Wayne Arthurs: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

Ms. Lisa MacLeod: May I have a point of order?

The Vice-Chair (Mrs. Laura Albanese): We are adjourned.

Ms. Lisa MacLeod: I just wanted to say that we would have liked to have extended—

The Vice-Chair (Mrs. Laura Albanese): It is 6 o'clock, so we are adjourned. I'm sorry. We're adjourned until 8 a.m. in this room on Monday.

The committee adjourned at 1800.

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**Standing Committee on
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Ontario Tax Plan for More Jobs
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**Comité permanent des finances
et des affaires économiques**

Loi de 2009 sur le plan fiscal
de l'Ontario pour accroître
l'emploi et la croissance

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STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Monday 7 December 2009

Lundi 7 décembre 2009

The committee met at 0801 in room 151.

ONTARIO TAX PLAN FOR MORE JOBS AND GROWTH ACT, 2009

LOI DE 2009 SUR LE PLAN FISCAL DE L'ONTARIO POUR ACCROÎTRE L'EMPLOI ET LA CROISSANCE

Consideration of Bill 218, An Act to implement 2009 Budget measures and to enact, amend or repeal various Acts / Projet de loi 218, Loi mettant en oeuvre certaines mesures énoncées dans le Budget de 2009 et édictant, modifiant ou abrogeant diverses lois.

The Vice-Chair (Mrs. Laura Albanese): Good morning, everyone. I call to order this meeting of the Standing Committee on Finance and Economic Affairs to continue public hearings on Bill 218, An Act to implement 2009 Budget measures and to enact, amend or repeal various Acts.

The committee held public hearings last Thursday, December 3, 2009, and will continue this morning. First of all, I would like to welcome all the members and presenters who are here. I would like to remind the presenters of the committee's protocol. All presenters will have 10 minutes in which to make their presentation. There will be five minutes of questioning following that. The first round of questioning will go to the official opposition, the second round will go to the third party, the third round will go the government side, and we shall continue in that rotation.

OLGA SHEWCHUN

The Vice-Chair (Mrs. Laura Albanese): I would now like to welcome our first presenter, who is joining us by teleconference: Ms. Olga Shewchun. Hello.

Ms. Olga Shewchun: Hello. Thank you for introducing me.

The Vice-Chair (Mrs. Laura Albanese): Good morning.

Ms. Olga Shewchun: Good morning.

The Vice-Chair (Mrs. Laura Albanese): Please introduce yourself for the purposes of Hansard recording, and you now will have 10 minutes for your presentation.

Ms. Olga Shewchun: My name is Olga Shewchun, and I would like to address the committee in terms of the HST. I would appreciate it if you could help me understand how the HST will benefit seniors who are on a fixed income.

The Liberal government proposes a tax reduction on the first $36,800 of taxable income from 6.05% to 5.05%. Using the tax calculator, this yields an income tax reduction of $251 on taxable pension income of $50,000. The Liberal government will provide a one-time payment of $300 when the GST is implemented.

When the tax saving is compared to the amount of money which would have to be paid for additional HST on new items, the discrepancy is staggering and scary. If the HST were in place for 2009, I would have an additional HST tax to pay of $2,461.60. I would be paying 8% more on my electricity bill—which, by the way, went up 7% this year—home heating, gasoline, home maintenance, accountants, snow removal, furnace maintenance and repair, plumbing repair, veterinarian care, Internet access, shoes, postage stamps and train fare.

The HST would have been much higher could I afford to go to the theatre, or if I had bought a house, hired an electrician, had someone cut my grass, had clothes worthy of dry cleaning, taken a holiday and travelled by air, bought a bike, employed a lawyer, gone skiing, hired a moving van, used a courier service, gotten a manicure, had a financial adviser, bought an Energy Star appliance, taken a taxi, gone golfing, washed my car at the carwash, gotten a professional haircut, gone to the gym or prepaid my funeral.

Potentially, I could have had a tax increase of thousands more dollars. Where will this money come from? Will some generous business who will reap financial benefits from the HST take pity and provide the money? I think not. I fear that I will not be able to stay in my current home because of the implementation of this HST and its punishing taxation. The HST will not only negatively impact on all seniors but on all Ontarians who are not running a business.

Dalton McGuinty argues that most Ontarians will be winners because of the government providing tax relief to them. This tax relief doesn't even begin to cover the additional taxation due to the HST. For all Ontarians, but especially for the fixed-income senior, the HST is a punishing and unfair tax. It is a tax that will hurt the Ontario economy because it is taking billions of dollars in disposable income out of the economy.

The HST is not a tax which is going to just add $40, $50 or $100 to the household budget. It is adding

thousands of dollars in additional tax to every household budget in Ontario. As a result, with 11.5 million people in Ontario, billions of dollars of disposable income is removed from the economy with the HST.

The Liberal government is dismissing this fact. Ontarians like myself have signed petitions saying no to the HST. The Liberal government ignores these petitions. Hard-working Ontarians phone Dalton McGuinty's office and express concern about the negative impact of the HST. These phone calls are ignored. Ontarians express concern in the comments section of newspapers or on radio talk stations. The Liberal government ignores these comments. Ontarians phone MPPs' offices to outline how harsh this harmonized sales tax will be, and the Liberal government ignores these phone calls.

Eliminating tax on coffee and newspapers isn't going to ease the taxation of HST, which takes thousands of dollars from each Ontario household and particularly punishes the elderly retiree who isn't capable of going out and getting a job to earn more money to pay for the HST. Is any business going to hire a retiree who is experiencing a host of medical problems? Probably not.

The impact of the HST on the fixed-income pensioner—and, for that matter, on every Ontario household—is profound. Before the implementation of the HST, the government should take steps which go far beyond a debate in the Legislature or even public hearings. The HST legislation should be put before Ontarians in a referendum. All Ontarians should have an opportunity to say whether the HST should be implemented in Ontario. The decision should not be made by a majority government which is not listening to the ordinary little guy Ontarian.

Members of provincial Parliament are elected to represent the constituents. They are elected to be the voice of what the majority of their constituents want. How many MPPs have taken the time to contact their constituents to find out if their constituents want the HST? I feel confident there are few MPPs, if any, who have taken a poll in their ridings. It would appear that democracy has taken a back seat to the powerful business interests and lobbyists. This, honourable members of Parliament, is not democracy.

Getting back to my first statement, can you help me understand how the HST will benefit seniors who are on a fixed income? Thank you.

0810

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now turn it over to the official opposition for questioning.

Ms. Lisa MacLeod: Thanks, Madam Chair. I'll be splitting my time with my colleague from Parry Sound–Muskoka.

Olga, thanks so much for coming on today as an ordinary and everyday Ontarian who is opposed not only to this tax grab but concerned about what its impacts are going to be on seniors and Ontario's middle-class families. We couldn't agree with you more, and I really appreciate the opportunity you have taken today to tell us that this tax grab will cost you $2,461.60 of your limited income. I'm just wondering where you're calling from today. I don't think that was indicated to us.

Ms. Olga Shewchun: I'm in Milton, Ontario.

Ms. Lisa MacLeod: And you know that the Progressive Conservative caucus was pushing for public hearings so that we could travel, so you wouldn't have had to call in today. I do regret that profoundly, but we were hoping we would be able to do that. Was there a Liberal MPP in your community to take questions and answers on the HST?

Ms. Olga Shewchun: Actually, we don't have a Liberal representative in our community.

Ms. Lisa MacLeod: Yes. You would have Garfield Dunlop, who has spoken out against this tax grab time and again in the Legislature.

Ms. Olga Shewchun: Right, as I feel it's such a profound tax, its impact not only on seniors but on every middle-class Ontarian household, that it has to be going beyond just a public hearing. There has to be a referendum. That's how profound this HST is. The financial situation for seniors and for middle-class Ontarians is profound. We're talking about thousands of dollars going into a tax, an additional tax to what we already pay.

Ms. Lisa MacLeod: My colleague?

Mr. Norm Miller: Yes. Thank you, Olga, for your presentation. Certainly I've heard from constituents in Parry Sound–Muskoka. In fact, I've read into the record comments similar to those that you've been making, worried about whether you'll be able to afford to stay in your home if the HST becomes law. We've been trying to do our part to slow down the process. As Lisa was just saying, we were trying to get public hearings broader than just the short day and a half that are happening here—on Thursday and today—but I certainly appreciate your coming before the committee today.

So basically what you're saying is that you figure you're going to have to pay $2,461 more tax than you're currently paying, and the money that the government is offering, the sort of one-time rebates, is not going to come anywhere near to cover that $2,461?

Ms. Olga Shewchun: That's accurate. The tax reduction that they propose is by $50,000, and in my situation would be $251. We did that calculation with the tax calculator. The one-time, for a senior, single, no spouse, $300. Well, I just took my expenses for this year, then added 8% to the new items being taxed, and I came up with $2,500, if we're going to round that. That's a brutal additional tax, in addition to the tax we're already paying. It's amazing. As I said, I didn't buy an appliance, and I'm due for a new refrigerator. And I'm getting to the age where washing the car and other things are physically challenging. So I'm going to have to go to the car wash or employ more people who will have to charge the 8% tax.

The Vice-Chair (Mrs. Laura Albanese): One minute left for questions.

Ms. Olga Shewchun: So there's an increase in this HST for me and I think for all seniors as we age.

Mr. Norm Miller: Thank you for making that point. I know your first question, how will it benefit seniors—we would argue as the opposition that it won't, and it will be, as you pointed out, a huge extra cost and burden for those people on fixed incomes.

Ms. Olga Shewchun: It certainly will.

Mr. Norm Miller: Thank you for making that point today.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your intervention.

Ms. Lisa MacLeod: A quick point of order: On Thursday I had requested that the hearing transcripts from the 150 so-called hearings that the Liberal government did on the HST be made available to the committee. I'd like to ask the clerk if those documents have been received by the government.

The Vice-Chair (Mrs. Laura Albanese): The clerk will be checking with his office. As of right now, he doesn't think he has received those documents, but he will be checking.

Ms. Lisa MacLeod: Excellent. I have one further point of clarification. Spots to be speaking to this committee are extremely coveted. I know there are probably about 30 presenters that we could not accommodate, and we had asked for public hearings. I notice on today's agenda that Ian Howcroft is going to be speaking for the Smart Taxation Alliance. This gentleman also appeared on Thursday for the Canadian Manufacturers and Exporters. In the spirit of the committee and how we have been trying to make sure that everyday Ontarians and different organizations appear, I don't see how it's fair to have two spots taken up by the same presenter.

The Vice-Chair (Mrs. Laura Albanese): I see three people listed for the Smart Taxation Alliance, so I guess we'll deal with that when they come forward. Thank you for bringing that to our attention.

NATIONAL GOLF COURSE OWNERS ASSOCIATION CANADA

The Vice-Chair (Mrs. Laura Albanese): I will now quickly move to the second presenter, the National Golf Course Owners Association Canada. I would ask you to come forward. Please be seated. As I stated before, please state your names, and you may, respectfully, begin. Thank you.

Mr. Vince Kishimoto: Good morning. Thank you very much, Madam Vice-Chair and members of the committee. My name is Vince Kishimoto. I'm with an organization called the National Golf Course Owners Association of Canada. I'm joined today by a proprietor of the Tangle Creek Golf Club, Mr. Tom Fischer, who is on our chapter's board of directors.

I'll just start right into my presentation. What I'll read from is slightly different than what's in front of you, but you have a little bit more information in front of you than what I'm going to present.

The National Golf Course Owners Association Canada is a not-for-profit trade association, owned and governed by its members, providing business support to Canadian golf course operators. The NGCOA Canada's membership includes over 1,350 golf facilities, of which 640 are located in Ontario. Unlike what the previous presenter said, not all businesses or industries are enjoying any benefit from the HST. The revenue minister told us that 80% of businesses will enjoy some kind of benefit, but golf, unfortunately, is not one of them.

The NGCOA Canada opposes the introduction of the Ontario harmonized sales tax, the OHST, if it results in taxation of previously PST-exempt products and services, and supports all efforts to stop the implementation of the OHST entirely.

Based on the 2009 economic impact study conducted by the Canadian golf industry, golf contributed $11.3 billion to the national economy and $4.3 billion to the Ontario economy. The addition of an 8% tax on green fees and golf memberships will significantly reduce the number of rounds played, therefore affecting the positive impact the Canadian golf industry has on the economy.

The OHST will have negative repercussions for golf courses, their employees, their members, their daily fee players and the overall growth of the game of golf. Golf is a sport for Canadians of all ages to play together to increase their daily physical activity and improve their overall health.

In August, the National Allied Golf Associations, comprised of the seven golf organizations listed in your document, published the study, Economic Impact of Golf for Canada. This study provides quantitative evidence of the economic significance of the sport to the Canadian economy. We have provided a link as well in your presentation.

Here are a few key findings from this study relating to the Ontario golf industry: The game of golf contributed an estimated $4.3 billion towards Ontario's gross domestic product. This includes over 123,566 jobs; almost $3 billion in household income; $500 million in property and other indirect taxes; and almost $700 million in income taxes.

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Golf in Ontario generates $11.5 billion in total gross production through direct, indirect and induced spending impacts. The total economic activity resulting from the Ontario golf industry is estimated at nearly $5 billion. Of this total, the revenues generated directly by golf courses and their associated facilities are estimated at $1.6 billion. The game of golf is played by an estimated 2.3 million resident golfers in Ontario.

As an industry, we are extremely concerned about the impact the OHST will have on the affordability of the game of golf in Ontario, especially for the juniors just starting out who are learning life lessons such as respect, integrity, patience and a love of the outdoors, as well as those seniors on fixed incomes whose daily physical activity takes place on the golf course. The giant wave of baby boomers beginning to turn 65 in 2010 constitutes one of our largest potential growth markets. The recent economic downturn that has seriously affected their

retirement incomes is a significant concern for the future health of our industry.

Dedicated golfers, the core of avid players who play and spend the most, who wish to join golf clubs throughout the province will now be required to pay this additional 8% tax on their initiation fees as part of their purchase commitment. From the avid golfer looking to purchase annual golf memberships to recreational golfers purchasing their daily green fees, all will be negatively affected by the introduction of the OHST. This will lead to less golf being played and result in a lower impact by the golf industry on Ontario's economy. This concerns us, and it should also concern the Ontario government.

Golf is one of the few sports that many generations can actively participate in and enjoy together while learning valuable life skills. With the increase of childhood obesity impacting our youth, golf should be embraced as a fun, healthy activity for families to improve their quality of life. Almost all golf facilities in the province are "home" to senior men and women who use golf not only as their daily fitness option but also as an important social network for continued involvement in their local community. The implementation of the OHST is contradictory to the Ministry of Health's commitment of delivering affordable, accessible and sustainable programs and services, as outlined in their Active 2010 strategy; we can review this impact at the end if you wish. An increase in taxes on daily green fees and golf memberships will make this game unaffordable for many Ontarians, young and old, and their families.

It is important to note that Ontario golf course operators have also been negatively impacted with many changes to their operational costs in recent years, making it very difficult for many facilities to stay in business. These costs include:

—Annual minimum wage increases, that in seven years have risen from $6.85 to $10.25 in the coming year. This is a 50% increase. Considering that this is a seasonal business where labour cost constitutes upwards of 70% of our operating expenses, the minimum wage increases, coupled with a reduction in revenues resulting from the 13% OHST, will lead to a direct reduction in labour and negatively impact our hiring practices for seasonal, youth and casual labour;

—A new integrated pest management regimen, IPM, for the rigorous, costly compliance requirements of Bill 64, an act to ban the cosmetic use of pesticides;

—An eight-year, unresolved, punitive increase of about 50% in property taxes resulting from arbitrary changes to the assessment methodology of golf courses by the Municipal Property Assessment Corp.;

—Uncontrolled increases in water usage costs, energy, insurance, etc.;

—Increased Ontario employee safety costs, including training, manuals, audits, etc.

In addition to this cost, this seasonal industry has been adversely affected by two poor-weather years in a row. Forecasts of our economic downturn have led to a significant reduction of corporate events, many of which are associated with charitable objectives. The Economic impact study of golf for Canada indicated a reduction of play amounting to 10% in 2008.

A leading factor in the amount of golf played is in its cost. The shrinking disposable income for many Ontarians has also impacted on the tourism and hospitality industry. We echo their concerns that an additional 8% cost makes not only province travel unattractive—and golf travel within Ontario amounts to over $250 million—but also diminishes the effectiveness of the Ministry of Tourism's expenditures to promote Ontario as a golf destination. American golfers, faced with a devalued dollar and border crossing restrictions along with untimely delays, may now have the final reason to avoid Ontario golf, with its 13% OHST.

What is most troubling is the way in which this tax has been presented to the people of Ontario. To the golf industry, this is not a harmonized tax, because if it were, we would be simply collecting the 5% GST portion as per the status quo. In reality, this is a convenient way for the Ontario government to grab an additional 8% provincial tax where no such tax previously applied.

In summary, our owner-operators have been reluctant to raise the price of golf because of the foregoing reasons, and anticipate a downturn in business.

On behalf of our association, our hundreds of Ontario golf course owner-operators, the thousands of Ontarians who work in the golf industry and the millions of golfers in Ontario, we respectfully request that you take a good, hard look at the serious negative consequences of implementing such an onerous new tax on our products and programs.

We thank you for your earnest consideration of our industry's position and anticipate that this standing committee will do the right thing and recommend reconsideration of this government's legislation of harmonizing taxes in the manner presented.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Mr. Kishimoto. I will now turn it to the NDP caucus for questioning.

Mr. Michael Prue: Thank you very much. I go to your last line, and I could only wish that that were true. You want this committee, which is Liberal-dominated, to recommend reconsideration. The finance minister has already said that he will do no such thing, as has the Premier, and I would doubt very much that any Liberal has the intestinal fortitude to go against them. So I just want to put that out front.

But what you've said is absolutely true. The costs—you didn't raise any of the costs to golf courses or to businesses, such things as auditors, lawyers, accountants, all of the business aspects on which you, as a golf course, are now going to have to pay 8%. How much is that for the average golf course? How much do they spend on lawyers' fees, auditors' fees, accountants' fees?

Mr. Vince Kishimoto: Well, presumably the golf course operators will get to deduct those as input tax credits. Unfortunately, with so much of our operating expense based on labour and things that are not taxable,

our input tax credits for our remittance of collecting this tax on behalf of the Ontario government are quite negligible.

Mr. Michael Prue: You also pointed out this is a brand new tax for golf, that it has never previously been taxed and is now subject to a brand new 8%. In terms of the numbers and the amount of money that is spent on golf, this is a huge increase in taxation across the board from this government. Would you not agree with that?

Mr. Vince Kishimoto: Absolutely. We say in there that we have direct sales input of about $1.6 billion to our golf courses, so if we take, say, the majority of that being taxable, we could be looking at upwards of $100 million, at 8%.

Mr. Michael Prue: You also stated that this is likely to cause some golf courses to close and other ones to cut back. Have you done any kind of estimate on the number of jobs that will be lost as a result of this 8% tax?

Mr. Vince Kishimoto: What we have said is that this, along with the problems the industry has been having, is making it more difficult the golf course operators to survive. I don't have an estimate of what the actual outcome will be. But from what we hear from our owner-operators—there are over 600 golf courses that are members of our association—the concern is palpable.

Mr. Michael Prue: You also stated that there is an eight-year unresolved punitive increase of about 50% in property taxes from changes by the Municipal Property Assessment Corp. How much is this, on average, costing the golf courses?

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Mr. Vince Kishimoto: I would say, if an average golf course paid $30,000 a year in property taxes, 50% of that would be about $15,000 per golf course.

Mr. Michael Prue: Per golf course. The number of golfers is huge. I cannot count myself amongst them; I do go out once or so a year for a charity golf game and hack the ball. How many people do you anticipate giving up the game or cutting back on the game if this happens?

Mr. Vince Kishimoto: Maybe Tom would like to take a stab at that.

Mr. Tom Fischer: I think the greatest impact is going to be felt at the two ends of the spectrum. The juniors, who have fixed incomes, and seniors, who make up a large percentage of affordable golf players, are going to be looking at this additional 8%, and whether it's on their daily fees or their annual dues, I'm certain there will be attrition.

The Vice-Chair (Mrs. Laura Albanese): You have 45 seconds left.

Mr. Michael Prue: Okay. In terms of the attrition, you've talked about—I forgot my question. I'll just let it go. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Sorry about that.

Thank you very much for your presentation and for coming here this morning. We appreciate it.

Ms. Lisa MacLeod: Madam Chair, I just have something to file for the clerk. It's from golfnewsnow.ca: "Teamwork With Other Provinces, Industries Help In Golf's HST Protest." I thought that would be helpful for our committee hearings.

INVESTMENT INDUSTRY ASSOCIATION OF CANADA

The Vice-Chair (Mrs. Laura Albanese): Now I would call the next presenters to come to the table, the Investment Industry Association of Canada. Please come forward and be seated. Again, please introduce yourselves for the purposes of Hansard recording. I invite you to begin now.

Mr. Ian Russell: Thank you very much, Madam Chair. It's a pleasure to be here this morning with the committee. My name is Ian Russell. I am president and CEO of the Investment Industry Association of Canada, and we're pleased to participate in the hearings of the Standing Committee on Finance and Economic Affairs.

I am representing the Investment Industry Association of Canada. It's an association that represents the position of the Canadian securities industry on regulatory and public policy issues.

Our membership consists of 210 securities firms across the country, employing about 40,000 professionals and support people. Roughly half of that industry is located in the province of Ontario and most of our firms, indeed all of our very large firms, are headquartered in Toronto. It's about 130 firms and about 25,000 employees in Ontario.

Our membership carries out a very broad and divergent business in all regions of the country. We have nine full-service firms that carry out the full panoply of securities business: advising retail clients, underwriting, trading and corporate advice. We have about 121 firms that either specialize in retail wealth management services or in institutional business. The commonality of all of our firms is that they are members of the Canadian self-regulatory association, the Investment Industry Regulatory Organization of Canada. They require that registration to deal with the public in advising on investments, underwriting equities and distributing equity securities, and providing research and trading facilities to their clients.

Our industry has a vital interest in the GST sales tax harmonization and in particular the application of the provincial sales tax to financial services. In terms of the broad concept of harmonization, our industry has been a proponent of that, because we see it as a catalyst to promote investment. I don't think I have to talk too much to this committee to explain the reasons for that, but essentially it provides needed relief to companies in the manufacturing process by enabling them to pass through their GST on inputs and, in that way, broaden their margins and encourage them to provide investment growth and job creation to the Canadian economy.

Our industry is affected by the tax in two distinct ways. Our industry is unique in the sense that a number of our services are tax-exempt under the GST and some

of our other services are taxable under the GST. Depending on which, there will be an impact both ways in terms of how the harmonization will flow on those particular services.

In terms of taxable, the GST now is taxed on management fees, pooled funds, mutual funds, all discretionary managed portfolios, fees that would apply on RRSP accounts, securities transfers and other security services—those are all subject to GST, and now they will be subject to an additional 8% provincial sales tax, and much of that will flow through to the consumer of those services.

We also are exempt from the GST on brokerage commissions and on underwriting fees. In this case, the imposition of the 8% provincial sales tax on inputs that are used to produce those services will now apply. We will not have the ability to deduct those as credits against tax payable, since the services that we provide are tax-exempt, and that means that the additional tax burden will either be absorbed by the firms, narrowing their margins, or, again, be passed on to consumers.

We've advocated for an exemption from the provincial sales tax for financial services on possibly a transition process because of the way this tax is coming very quickly, or on a permanent basis. We have also put forward various cases for relief for firms.

We have also looked at some modest proposals to provide relief, recognizing that the taxes come at a very difficult time both for the capital markets, for investors, and of course for the government that's struggling with a very large deficit. One of the proposals that we have suggested is a modest exemption that could apply to the management fees on mutual funds that are held in retirement portfolios. Those securities tend to be the more typical kind of investment for low and middle-income Canadians. Providing some kind of relief from the HST on the management fees related to those portfolios would certainly help the low to middle-income Canadian.

The last point that I wanted to mention on this is that the provinces that have harmonized prior to Ontario have in fact provided relief from provincial sales tax on financial services. Quebec as a province has provided an exemption. We think there is even more of a reason to do so in Ontario.

Adversity often brings opportunity, and the adversity that we've been through and we have been talking about in terms of the recent financial crisis and its aftermath, with all Canadians struggling—savers, investors and workers—is the challenge, coupled with the fact that the province is dealing with a large deficit. But at the same time, the provincial, the federal and the municipal governments, as well as the financial industry, had financed a study by BCG recently, and that study is entitled Partnership and Action. It recognizes that Toronto has the opportunity to become one of the two financial clusters in North America and one of the 10 leading financial centres globally.

I think that's very important for all of you to be thinking about. As you think about this HST, you want to think about it through the strategic lens of what makes sense for longer-term growth and prosperity in Ontario, and clearly promoting strong growth in the financial sector is a comparative advantage of the province. As I have travelled across the country, other provinces look quite enviously on the situation that Ontario finds itself in. I think the province should be looking at policies that can promote the growth and strength of the financial centre in Canada, especially now when Canada's profile is very high in global markets. We have seen significant examples of incipient growth and development in the financial services industry in Ontario. I think the imposition of this tax, again, comes at perhaps the wrong time and, if anything, will act to dampen financial activity in the province.

With that, I will close my remarks.

0840

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that presentation. We'll turn to the government side for five minutes of questioning.

Mr. Charles Sousa: Thank you, Ian, for attending. I appreciated your presentation, and I also appreciated the fact that you recognize some of the merits behind the whole tax reform package.

You commented on how we need to do something to stimulate economic activity while trying to modernize our system such that we can reduce some of the burden that now exists in the system, the high taxes that we now pay, and revamp it such that we can lower the marginal tax rate for corporate business as well as reducing taxes to consumers so that they can also invest and, more importantly, try to generate that economic activity to generate jobs, to generate the ability for them to invest. I appreciated your comments relative to that.

I wanted to touch base on the net effect of the additional 8% as it relates to your services. Right now, let's assume there's a 2% charge on managing the portfolio, if we can just use that number. You're paying the additional 5% now on that 2%, which in effect is, what, 2.1%?

Mr. Ian Russell: Yes, some of the wrap accounts can go up to 3%, but a lot of the standard mutual funds would be in the 2% range.

Mr. Charles Sousa: As it stands now, you're paying 5% for those services?

Mr. Ian Russell: Right.

Mr. Charles Sousa: So this additional 8% would translate to about 2.19% or thereabouts, right?

I have a couple of questions, but let's elaborate on the GST component. You have some issues with the feds now relative to this over the last little while. How's that going?

Mr. Ian Russell: Well, first, on your point about the fee on discretionary management, you're right: That is a taxable service we provide. We're already coping with a 5% sales tax on it, so it would be an additional marginal increase on top of that. That's something that is going to flow through, in most cases, to the investors who are paying those fees.

As I said, for the majority of the middle-income and lower-income Canadians who are struggling to rebuild their retirement portfolios, by and large, most of their investment is managed by a professional, which it should be, on a discretionary basis, and the cheapest way to do it is through mutual funds.

The other point I was going to make to you, though, is that we also provide significant wealth management services through brokerage commissions and also charge underwriting fees to small businesses, and that 3% will flow through to those consumers.

Mr. Charles Sousa: So for current operations, the firm is paying some PST on those inputs, right, be it for the machineries or whatever it is that you're doing to try to manage your operations? That 8% that's now being paid by the brokerage firm or by your firm or by the mutual fund company, the marketing costs and so forth, those will be flowed through. Do you have any sense of how much savings that would be for you?

Mr. Ian Russell: Well, I think where the biggest savings could come from, frankly, is that one of the largest inputs in the services that we provide, both for brokerage and also for discretionary management, is financial services. What is critical increasingly in the industry is financial information and being on top of it. There's a whole range of financial services that our members pay, first of all, because things like Bloomberg terminals and computer terminals and those kinds of things—are financial services. But the other thing that you must bear in mind is that I have 123 firms out of the 200 that are on platforms. What that means is, they don't provide all of the back-office—securities, ticketing, custodial fees etc. Those services, which are very significant for smaller firms, many of them located in smaller regions and dealing in smaller communities in Ontario—they're going to be hit with a whole 8% on the way through, so that's going to be a pretty significant impact.

Mr. Charles Sousa: They'll get their group rebates as well for the costs they incur to do that 8%, right? Because they'll do it at the tail end.

Mr. Ian Russell: On brokerage services, they won't get the tax credit.

The Vice-Chair (Mrs. Laura Albanese): Twenty seconds left.

Mr. Charles Sousa: The notion, though—and I just wanted to reaffirm that there are a number of tax cuts throughout the system—roughly $10 billion for consumers and $4.5 billion for businesses. Some argue that there's a tax grab of around $3 billion, but we have all of these other—

The Vice-Chair (Mrs. Laura Albanese): I'm sorry, but the time has expired, and I have to end the conversation here. Thank you very much for your presentation.

SMART TAXATION ALLIANCE

The Vice-Chair (Mrs. Laura Albanese): Our 8:45 and our 9 a.m. presenters are not here; however, our 9:15 is here. Do we have unanimous for them to present?

Also, Ms. MacLeod, in regard to your point of order that you made earlier, I've been advised that presenters have been selected by organization and not by individual, and that one person may represent more than one organization. My understanding is that it has happened in the past, with individuals representing points of view from all different parties.

Ms. Lisa MacLeod: Thank you, Madam Chair. I think my grave concern is, in a process by which many Ontarians feel that they have been left out of the discussion, it doesn't look very good that the government would choose to have one individual representing a favourable point of view, from their perspective, speak to this committee more than once. When you look at the three dozen or so groups and individuals from across Ontario who were denied the opportunity to speak at these hearings, I think it is the wrong message to send that one individual would have multiple opportunities to spread the government's viewpoint.

The Vice-Chair (Mrs. Laura Albanese): I understand your point, but the individual we are talking about is not present. It's a different person presenting, so I think that that solves the—

Ms. Lisa MacLeod: So I guess there's an error there.

The Vice-Chair (Mrs. Laura Albanese): Yes. Thank you very much.

Mr. Wayne Arthurs: On a point of order, Madam Vice-Chair: Just for clarification, the government did not choose. Just for clarity, those deputants who are here applied to be here—

The Vice-Chair (Mrs. Laura Albanese): It's on a first-come, first-served basis.

Mr. Wayne Arthurs: —and the government didn't make the choices.

Ms. Lisa MacLeod: I thought it was just of the four groups that we were able to choose, that we had the opportunity to choose, and they weren't on the list to choose from previously.

Mr. Wayne Arthurs: The government did not make choices about individuals who would appear for—

Ms. Lisa MacLeod: But you did choose the Smart Taxation Alliance.

Mr. Wayne Arthurs: There were lots of lists, but we certainly didn't choose individuals.

The Vice-Chair (Mrs. Laura Albanese): It was on a first-come, first-served basis. I would suggest that we move forward. Thank you for being here this morning.

Ms. Lisa MacLeod: It certainly tarnishes the whole process, from my point of view.

The Vice-Chair (Mrs. Laura Albanese): I believe that there was no choosing and that it was on a first-come, first-served basis, as confirmed by the clerk.

Good morning.

Mr. Robert Hattin: Good morning.

The Vice-Chair (Mrs. Laura Albanese): We have the Smart Taxation Alliance here to present. You have 10 minutes for your presentation. You may begin.

Mr. Robert Hattin: First of all, I'd like to clarify that I'm doing this as a matter of courtesy because I'm not

accompanied by my two other people—not for the other people, your other delegations, who may come forward to speak. So I'm kind of winging this from that standpoint, but doing it on the basis of trying to get a broad discussion.

My name is Robert Hattin. I'm the president of Edson Packaging Machinery in Hamilton, Ontario. We're an engineering and manufacturing company of about 68 people. I'm also the chairman of the Ontario manufacturers and exporters association, and I've been asked to speak on behalf of the Smart Taxation Alliance. I indicate all three of those things because I represent a small company, a small to medium-sized firm, but I also am involved in the advocacy of manufacturing in Ontario.

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The Smart Taxation Alliance really represents the employers of approximately 2.5 million Ontarians. We do this on the basis of wishing to grow our economy and grow our companies, not make it a diminutive form of taxation.

The idea behind us supporting this idea of a value-added tax is a fair and transparent tax. We wish to speak on the basis of it being the most progressive type of taxation, and it will lead to greater efficiencies, both within government as well as within businesses.

There are many other spinoffs that people may not be considering. They say this might actually make the underground economy bigger. It actually will do the reverse, because anyone who wishes to participate in the underground economy, as an example, will have to buy goods and services from their link in the value chain further upstream. The only part they may be missing is that little incremental part that they may be doing. So if they go to Walmart or Home Depot to buy drywall or whatever, they will be paying their HST on that.

That's an aside, but as I said, there are many different elements. We understand that this is a change, but one which we think is good for the economy.

We see, as you've heard from other people and read in other documentation, that jobs should grow by half a million over the next 10 years.

One of the things that the Smart Taxation Alliance is asking for also, in consideration of that, is point-of-purchase redemption of the tax. We see that probably not happening because of the fact that the GST is not redeemable at point of purchase. But those make for different efficiencies.

Really, I want to keep my delegation short because I'd rather have you ask questions, and answer them, than probably reiterate the many things that you've heard, and why we believe that this is the appropriate thing to do.

So, again, on behalf of the companies that support Smart Taxation, some of which are old manufacturing companies like ourselves, as well as some of the new, innovative ones like RIM who have come on board, as well as the support of the economists, and really, the fact that we wish to grow employment and grow opportunity in Ontario, and have the documentation and data to support it. This is why we are in support of the HST.

Again, I'd rather encourage questions than ramble on on things you've probably heard before.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. We'll move it to the official opposition. Ms. MacLeod.

Ms. Lisa MacLeod: Thanks, Madam Chair. I appreciate the opportunity to question.

Smart Taxation Alliance—a bit of an oxymoron, right? Smart taxes?

Mr. Robert Hattin: You invented taxes, not me.

Ms. Lisa MacLeod: Yeah, I know.

Laughter.

Ms. Lisa MacLeod: I'll take no credit for the taxes in this government.

Just quickly, Mr. Holten—

Mr. Robert Hattin: Hattin.

Ms. Lisa MacLeod: —you're the president of Canadian Manufacturing—

Mr. Robert Hattin: No, I'm chairman of the Ontario board of Canadian Manufacturers and Exporters.

Ms. Lisa MacLeod: Okay. Who had the opportunity last Thursday to present before this committee?

Mr. Robert Hattin: From the CME?

Ms. Lisa MacLeod: Yes.

Mr. Robert Hattin: I have no notice of that.

Ms. Lisa MacLeod: They appeared before committee last week. In their deputation, they spoke about their membership in the Smart Taxation Alliance. Meaning no disrespect to you, but I think it's very difficult for us to have an umbrella group and then one of its individual members appear before committee to talk to this committee, given the fact that we've been denied public hearings across the province and it has been difficult for those who don't have the big budgets to travel to Toronto to talk about their grievances with the HST.

Despite the fact that you and your organization claim that there are going to be massive job increases here in Ontario, we've heard from three organizations to date—in housing, in recreation and in sport—who have told us that they are going to face job losses as a result of this tax. So would it be fair to say that any job increases will come on the backs of job losses in other industries?

Mr. Robert Hattin: I don't believe that's going to be so. There may be adjustments. We haven't looked at that side of it, in terms of recreation and so forth. But really, at the end of the day, it's going to be the wealth-creating segments of society that will be able to afford the other aspects, whether it's going to be recreation or housing and so forth. So we're really talking about redistribution of the economy and how taxes are collected.

We have to recognize that we are now a consuming economy or a consumer-based economy and not a manufacturing-based economy. We've seen what taxation and hidden taxes do to manufacturing. That's one of the reasons manufacturing has been on the decline. So if we wish to continue to put businesses which create jobs and also afford things like housing through taxes or recreation through your municipal taxes at a loss, I would hesitate to say that it's a spiralling circle. You'll see further pressure on those support programs anyway.

Ms. Lisa MacLeod: I guess the question, then, is, when you're talking about—you mention the word "wealth," and you're just changing where the wealth goes. I would argue that the wealth is being taken away from Ontario families whom we would want to send into recreational programs, who we want to make sure have the jobs.

Given the last few years and what the job numbers have looked like and the projections by the McGuinty government, I think that there's not a lot of credibility there with any of the job projections that Mr. McGuinty has made. He has not met any of them in the past.

I just want to shift gears a little bit.

Mr. Robert Hattin: By the way, I can't speak for Mr. McGuinty's projections. Our projections are based upon economists' projections from other non-biased or non-politically aligned affiliations.

Ms. Lisa MacLeod: Yes, and I guess I just look at the facts. The projections in the budget have never yet been met by this government.

I just have a quick question. You're in business. We see that with this bill there's a \$4.3-billion giveaway, a bonanza that goes to people in the form of—I guess you would call them bribes. I'm wondering, do you think that—

Mr. Robert Hattin: I think that's an unfair comment, ma'am.

Ms. Lisa MacLeod: Okay.

The Vice-Chair (Ms. Sophia Aggelonitis): One minute left.

Ms. Lisa MacLeod: We in the official opposition would consider that it's a—

Mr. Robert Hattin: And inappropriate as well.

Ms. Lisa MacLeod: Do you know what? I've been elected by about 120,000 people who consider it to be bribes, especially because this cheque is going to come right before the next election.

Given the fact that this is a business organization which is supposed to be non-partisan, how do you feel about cheques being just sort of thrown out to the mail? As the Canadian Taxpayers Federation did suggest last week, even Paul Bernardo is probably going to get one of these cheques. Wouldn't it be better spent if we were to either reduce the rate or let those people in the economy have more money in their pocket based on the reduced rate—

Mr. Robert Hattin: I'd love to respond to your question. I don't want this to be pejorative and a cat fight, but I think it's inappropriate to call things like that "bribes" and so forth. First of all, our company has never received a bribe or a cheque, so I kind of take umbrage with that.

Ms. Lisa MacLeod: Oh, sorry. I'm talking about the cheques that are going out—

The Vice-Chair (Mrs. Laura Albanese): The time is up.

Ms. Lisa MacLeod: —as a result of the \$4.3 billion.

The Vice-Chair (Ms. Sophia Aggelonitis): Sorry, Ms. MacLeod. The time has expired. I would also like to invite you to "Let's keep our language as parliamentary as possible from here on."

Thank you very much for your presentation and for coming here.

Our 8:45 presenter is still not here. However, our 9 a.m. is.

25 IN 5 NETWORK FOR POVERTY REDUCTION

The Vice-Chair (Mrs. Laura Albanese): I would invite 25 in 5 Network for Poverty Reduction to come forward and be seated. Please introduce yourselves for the purposes of Hansard recording, and you may begin any time. Thank you.

Mr. Greg deGroot Maggetti: Good morning, Madam Chair and members. Thank you for giving us this opportunity to present. My name is Greg deGroot Maggetti. I work with Mennonite Central Committee Ontario, and I am a co-chair of the 25 in 5 Network for Poverty Reduction. I'll be presenting this morning with my fellow co-chair, Michael Creek, from Voices from the Street.

The 25 in 5 Network for Poverty Reduction is a multi-sectoral organization comprised of more than 450 provincial and Toronto-based organizations and over 1,000 individuals working on the elimination of poverty in Ontario.

We believe that making good on the province's commitment to reduce child and family poverty by 25% in the next five years is key to addressing the challenges facing Ontario today and into the future.

It is critical that Ontario apply a poverty lens to any new initiative that it's bringing forward. Be it fiscal, economic or social policy, new proposals must be subject to questions about how they will contribute to or undermine Ontario's poverty reduction strategy.

(1) Poverty reduction must be top of mind because more and more people are hurting. Action on poverty reduction is crucial to support hard-hit Ontarians right now so that we can ensure that we can all get back on our feet as soon as possible. Now more than ever, inaction is not an option.

Second, a focus on poverty reduction is key to Ontario's economic recovery strategy. Policies to tackle poverty lay the foundation for a stronger, well-equipped workforce where all hands are on deck ready to take on the challenges of a 21st-century global economy.

(3) Social investments will continue to stimulate the economy and help to prevent a longer recession. Investments in economic stimulus targeting the poor are helping to stave off the worst of the recession and create jobs.

0900

The 25 in 5 Network has identified five key areas that must be addressed to ensure that the HST contributes to the objectives of poverty reduction in Ontario:

(1) Introduction of mitigating measures, such as indexed tax credits for low-income families and the exclusion of key household items from any tax increases.

(2) Regular payments of credits to ensure that low-income households have access to regular cash flow. These credits should be staggered with the GST credits to ensure a more even distribution of income throughout the year.

(3) Outreach efforts in partnership with communities, including First Nations communities, are needed to ensure take-up by low-income Ontarians of the refundable sales tax and property tax credits.

(4) Monitoring of the impact of the HST and related mitigating measures on low- and modest-income households, including annual reporting in the budget, and a commitment to further action if it is found that there are negative impacts on low- and modest-income households.

(5) Careful consideration of the cost of the proposed personal and corporate income tax cuts proposed in Bill 218.

Mr. Michael Creek: We note that Bill 218 proposes a refundable sales tax credit of up to $260 per adult and child per year for low and modest-income individuals and families. In addition, Ontario is also committing to $270 million in annual property tax relief for low to middle-income homeowners and tenants.

We recommend that the government move ahead with these measures, monitor their impact on low and modest-income households and commit to further action if it is found that there are negative impacts on low and modest-income households. Bill 218 also sets out to exclude key household items, including diapers, feminine hygiene products and low-cost meals from the provincial portion of the HST.

We recommend that the government move ahead with these measures, monitor their impact on low and modest-income households and commit to further action if it is found that there are negative impacts on low and modest-income households. We also recommend that the government consider increasing the refundable sales and property tax credits as a way to improve income security for low and modest-income households and thus contribute to the goal of poverty reduction in Ontario.

We note that Bill 218 proposes to provide HST credits quarterly, starting in August 2010, to be staggered with federal GST credits to ensure a more even cash flow to help lower-income families.

We recommend that the government move ahead with this measure, monitor its impact on low and modest-income households and commit to further action if it is found that there are negative impacts on low and modest-income households.

In order to benefit from the HST credits, households must complete annual income tax returns. Many low-income people do not file tax returns for a variety of reasons, yet will be required to pay HST on many items daily. We recommend that the government of Ontario work with community partners and First Nations communities to implement strategies that will ensure maximum uptake of the refundable sales and property tax credits by low and modest-income households. For example, providing funding for annual tax filing clinics would ensure uptake and support the work of these partners in their local communities.

Advanced planning is critical to ensure that the HST aligns with poverty reduction objectives. Such attention must be sustained throughout the rollout of these new initiatives to ensure that the proposals are having their intended impact.

We recommend regular monitoring of the impact of the HST and related mitigating measures on low and modest-income households, including annual reporting in the budget. We also recommend that the government commit to further action if it is found that there are negative impacts on low- and modest-income households.

Mr. Greg deGroot Maggetti: In addition to the sales tax credit and the property tax credit, Bill 218 proposes reductions to personal income tax and corporate tax rates. We understand that the aim of these tax cuts is to make the introduction of the harmonized sales tax revenue-neutral for the government, to ensure that the HST includes mitigation measures for all households across the income scale and to create low corporate tax rates.

The 25 in 5 Network feels it is important to emphasize that taxes are the way we all—individuals and businesses—contribute to the public services and public programs that set a foundation for a prosperous and inclusive society.

As we look toward the recovery from the current recession, for example, we need to be sure that people have the education, skills and training to take up the jobs that will be created. Businesses will need to be able to find people with the skills to do the jobs they have available. And businesses benefit substantially from the public investments that are put into everything from early learning and child care to primary school, high school, colleges and university, as well as training programs. Corporate income taxes contribute to having a well-educated and highly skilled workforce. The lost tax revenue due to corporate tax cuts depletes the resources needed to ensure businesses can find the people they need with the skills they need.

In a similar way, as individuals and households, we benefit from public education, public health care, public transit and public income security programs. Many of the jobs that were created in the last two recoveries did not provide extended health insurance to cover dental care, prescription drugs and vision care. The few dollars in personal income tax cuts that individuals and households will receive will not be enough to meet those expenses. That's why it is so important to develop public dental, prescription drug and vision care for those who do not have private coverage. Public revenue from personal and corporate income taxes would make it possible to do that.

We recommend that the government and Ontarians carefully consider the cost of the proposed personal and corporate income tax cuts for the public infrastructure and services that provide the foundation for a productive, prosperous and equitable society.

Aside from the benefit to individuals and families of our recommendations, we want to emphasize that invest-

ing in poverty reduction benefits everyone and needs to be an integral part of Ontario's economic recovery. Every dollar provided through the Ontario child benefit and through new HST credits ends up with local retailers and grocery stores. These dollars will help prevent a longer and deeper recession and get Ontario into recovery mode faster. Investments in public programs and services help ensure that all Ontarians can be a part of that recovery.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

Mr. Prue, I believe it would be the NDP caucus's turn to ask questions.

Mr. Michael Prue: Thank you for your deputation. It appears from your deputation that you have all but accepted that the dreaded HST will become law, and you just have some mitigating measures here to try to get over the worst of it for the poor. Would that be a correct analysis?

Mr. Greg deGroot-Maggetti: Yes, our main concern is what impact this would have on low and modest-income households and to make sure that those households are not made worse off, but actually can be made better off.

Mr. Michael Prue: This bill proposes to cut corporate taxes, costing the treasury $2 billion a year. That's $2 billion less for social programs like health care, education and support for low-income families. Do you support the corporate tax cut, which is part of this bill?

Mr. Greg deGroot-Maggetti: We've raised concerns about the corporate tax cut, and we named several of the reasons why. When the 25 in 5 Network did extensive consultations a year and a half ago with people, one of the things that came through clearly to us was that so many people were living in poverty and working, and they weren't able to get things like prescription drug care and dental care, as well as accessing training programs that they wanted to be able to advance in their careers. So we think it's really important that we have enough public revenue to be able to fund those programs and make sure people can participate. So those are our concerns around the corporate tax cuts.

Mr. Michael Prue: You talked about introduction of mitigating measures such as the exclusion of key household items from many tax increases. Would that include heating and electricity, because this is probably the hugest tax grab—people have to stay warm, people have to turn on the lights.

Mr. Greg deGroot-Maggetti: I can't speak specifically to the things that need to be excluded, but part of the reason we recommended that the government monitor the impact is so that if it's found that that there are some negative impacts on households, adjustments be made to make sure that people are not made worse off.

Mr. Michael Prue: The 8% tax on gas and home heating and the HST will, in the end, leave the treasury with less money for public services. Isn't that the real problem, especially when the Premier is talking about cuts to important social services?

0910

Mr. Greg deGroot-Maggetti: Well, we believe it's important that the government be able to raise enough revenue to fund the social programs that we need.

Mr. Michael Prue: You've talked here about outreach efforts in partnership with communities. Now, the First Nations communities are seeing the largest tax grab in the province. They're literally going from being tax-free for purchases off-reserve to tax-included on almost everything they buy. They are amongst our poorest communities. They are going to be impacted the most, and they're not going to be getting any more money than the average person is going to get. How fair do you think this is to the First Nations and to poverty there?

Mr. Greg deGroot-Maggetti: Part of the reason that we recommend that the government be proactive in developing strategies with communities, including First Nations, to make sure that all low and modest-income households benefit from the tax credits, is to offset any additional costs that there would be to low and modest-income households. We would recommend that the government needs to work with First Nations communities to address those issues.

Mr. Michael Prue: If you've ever travelled to fly-in communities in northern Ontario, you've seen the horrendous cost of everything they buy, from a bag of oranges costing $25, to a bag of milk costing about the same, right down to hooks to go fishing. So many of those things, perhaps not the oranges and the milk—but the horrendous cost of everything there is now going to be taxed. How do you think that these communities will sustain themselves?

Mr. Greg deGroot-Maggetti: I have visited fly-in communities, and I know of some of the conditions. In addition to the cost of things, there's a lack of housing, there's inadequate public education—schools there, family services are underfunded.

Some of these issues, obviously, are intergovernmental; there are issues that the federal government has to deal with and issues that the provincial government has to deal with. Both levels of government need to be working with First Nations communities to address the real issues that they're dealing with.

Again, this is why we recommend in our deputation that the government work with First Nations communities to address those concerns, monitor the impact and make whatever changes are necessary.

The Vice-Chair (Mrs. Laura Albanese): You have 30 seconds left.

Mr. Michael Prue: How are First Nations communities going to benefit from the HST?

Mr. Greg deGroot Maggetti: As we said, the government needs to work on these issues with First Nations communities, and particularly to make sure that people can access the credits, monitor the impact and make additional changes, if that needs to happen.

Mr. Michael Prue: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

We are now moving forward with the next presenter. Now our 8:45 presenter is here, and I would ask for unanimous consent to move him down further instead of—

Mr. Wayne Arthurs: I'd rather stay with the schedule that we have and have the deputant who was a little late arriving present now, please.

JIM McHUGH

The Vice-Chair (Mrs. Laura Albanese): Then I would ask Mr. Jim McHugh to please come forward and be seated. Thank you for coming, Mr. McHugh.

Mr. Frank Klees: The only reason I had requested that is that Mr. McHugh was tied up in traffic, and we would have had the opportunity to question him. He is a constituent, and we thought it would have been appropriate to have his member ask him questions, but I hear the parliamentary assistant, who isn't prepared to be co-operative with us. I thank him anyway.

The Vice-Chair (Mrs. Laura Albanese): Mr. McHugh, you have up to 10 minutes for your presentation, and after that, there will be five minutes of questioning. Please state your name for the record. You may begin any time.

Mr. Jim McHugh: Thank you. First of all, I want to apologize for being tardy, a.k.a. late. I didn't figure it would take two hours to get down here from home base. All right, here we go.

Proposed harmonizing of Ontario's retail sales tax with federal GST: This is the worst time, economically speaking, to make this kind of change. Any person with an ounce of intelligence or integrity, particularly one in a position of power and political responsibility, should realize this.

I would like to know, in detail, the exact reasons why this travesty is being imposed on the people of the province of Ontario. Is there some sort of agreement between our current Premier and the current federal government, which is paving the way for Ontario taxpayers to lose upwards of $3 billion—with a "b"—in tax money? This from a Premier who swore an oath not to raise taxes. If so, then this is the biggest rip-off con job ever foisted upon a province's taxpayers in the history of my country.

Mr. Premier, if you want to be remembered in the history of Ontario, you push this through, and you will be remembered in the same way Louis Riel is remembered in Manitoba.

It has come to my attention that the opposition parties asked the current ruling party to hold province-wide public hearings on this proposed farce, to allow the citizens, taxpayers and voters of Ontario to voice their concerns on this. Somewhere in your borderline wisdom, you have allowed a whole two days of public hearings at Queen's Park. Several questions come to mind as a result of this decision.

First of all, what about the residents, taxpayers and voters residing in or near Windsor, Sudbury, Thunder Bay, Kingston and Ottawa? Don't they deserve an opportunity to have their voices heard on this topic? Note: I can't see you in any way offending the city of Ottawa, considering the gift you are about to bestow on the federal government.

Secondly, why would you be so shallow and vain as to only provide less than a week for something that will cost your province's people such a large amount of their hard-earned tax dollars? Several possible reasons come to mind. You and the MPPs in your party believe that since you were elected to this office, you have the total power to make what ever hare-brained decisions you wish, and to hell with your constituents?

If this is even a part of your decision-making process, may I remind you of a Marshall McLuhan speech which stated, "Power corrupts, and absolute power corrupts absolutely." May I also remind you that there is a provincial election coming up, and I am sure that if any of the voters in your province develop a sudden loss of memory, someone will remind them of how disrespectful you were to the people and taxpayers of this province, myself included. Basically, what comes around goes around, and performance or, in this case, lack of performance is a direct indicator of attitude.

Thirdly, you believe that as Premier of this fine province, you don't have to concern yourself with the feelings or opinions of the people of Ontario until election time, or to put it in plain English, you don't give a damn for the people of your province except for the ones who follow your every step. It reminds me of Germany 1938.

To the rest of the MPPs in the House, is this the kind of individual you want leading your province? Think about it.

I recall this harmonization crap being tossed around in the late 1990s. I believe it had its roots in the federal government trying to convince Ontario to sign on at that time. I was asked at that time what I thought of the idea of harmonizing my province's retail sales tax with the federal GST. I responded by saying that there are some politicians in this country who are on some very bad medication. When asked to elaborate, I indicated that there was a news story recently that indicated that Ontario's retail sales tax had just climbed up to second place over the federal GST and was now the second-largest government-based revenue-generating branch in the country, behind income tax.

Now the question comes up: If we harmonize, how does Ontario get its share of the tax revenue? Through transfer payments, of course.

Question: What is Queen's Park's biggest complaint with the feds over the last 50 years?

Answer: They keep screwing us on our transfer payments.

It's true, folks. Look it up. I take it for granted that you are all intelligent human beings. If you are in possession of the second-largest government-based revenue-generating branch in the country, are you going to trade it away for a bag of broken hockey sticks? I don't damn well think so. It appears our current provincial leaders aren't quite that smart.

There have been reports that our current revenue/finance minister is preaching doom and gloom for my province and indicating a larger-than-expected deficit. Mr. Minister, if you and our Premier hadn't just made arrangements to deal away Ontario's largest revenue-generating branch, maybe—just maybe—you and I wouldn't have that problem. Please refer to my opening statement.

0920

Ladies and gentlemen, it isn't too late. You can, for the good of our province—and it's interesting that these hearings are being held in the provincial Legislature building—repeal this. It takes a lot more courage, integrity, chutzpah and character to admit that you are wrong and made a mistake in judgement and correct it than it does to bully blindly forth, believing that yours is the only right decision, and damn the consequences.

Finally, a challenge to Premier McGuinty, his party members and any other MPP who believes that this perversion will benefit the people of Ontario at this time: For two weeks for each trial, you will live as—not with—a senior on a fixed income which was set before this item was imposed, a single parent and a person on welfare—two weeks each. If, after those six weeks, you still believe that this travesty is the right way to go and that the most vulnerable citizens of your province will not be unjustly damaged by your bullying forth with this, then one of us has a severe problem with truth, justice, logic, integrity and reality. Just to let you know, the person with the severe problem is not the writer.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation.

Interruption.

The Vice-Chair (Mrs. Laura Albanese): Order please. I will now move to the government side for questioning.

Mr. Wayne Arthurs: Mr. McHugh, thank you for attending this morning. I understand you were a little delayed in your effort to get here. Traffic is like that, and/or public transit. We all have to kind of try to arrange around it as best we can. We, in our wisdom, adjusted our schedule a little bit to help accommodate you. I hope you appreciate that.

Mr. Jim McHugh: I appreciate it.

Mr. Wayne Arthurs: And I appreciate the question from Mr. Klees, being your member, in wanting to have the opportunity to question you at this point in time. Just so you know, we do have a procedure and a process that we have agreed upon here, as a subcommittee and then as a committee, in which we rotate our questioning among the three parties. You may have seen that in the bit of time you were here. Mr. Prue was doing the questioning and commenting on the last deputant. We are doing it at this point in time. This will move us back into our regular kind of rotation.

I really don't have a lot in the form of questions. Let me just say that we do have a free and democratic society through this legislative structure. This was, is and has been your opportunity to formally put your thoughts on the table, in Hansard, so they are recorded for posterity and for the members and for the public to take under consideration and pass judgment in their own way.

We don't necessarily agree. You made it quite clear that your position on a harmonized tax has been consistent since the early 1990s when you spoke to the issue of the GST, and questions about harmonization at that point in time when other provinces were moving in that direction. Your position hasn't changed; that's quite clear. And that's fine. That's a legitimate position to have. It's not one that I agree with. I personally stood in the Legislature and said that I think this is—and I believe this is—the right decision. I've felt for some time, through deputations we've had over a number of years when I've sat here during budget hearings, that a single value-added tax in Ontario is the right way to go. I'm pleased that we've moved at this time in that direction. We'll just have to agree to disagree. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for coming this morning and for putting up with the traffic. We appreciate that.

Mr. Jim McHugh: No problem.

CANADIAN RESORT DEVELOPMENT ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We'll move on now to our next presenter, a representative of the Canadian Resort Development Association. Please come forward and be seated. Just to remind everyone of the protocol, you have about 10 minutes for your presentation. That will be followed by five minutes of questioning in rotation. The next five minutes will be with the opposition party. Please state your name.

Mr. Ross Perlmutter: Thank you, Madam Chair and members of the committee. My name is Ross Perlmutter. I'm the president and CEO of the Canadian Resort Development Association. I want to thank you very much for inviting me and allowing me to speak here today on this very important issue.

As I said, I'm the president of the Canadian Resort Development Association. We're the non-profit industry association entrusted with overseeing the shared-ownership industry in Canada, including timesharing, fractional ownership, condo hotels, points-based systems and any other leisure programs that have a subdivided interest in recreational real estate. We were founded in 1983, and the goals of our association are to encourage and maintain a high standard of ethical conduct throughout the industry and to assist in the education of Canadian industry members toward an enhanced standard of professionalism. In Canada, we have successfully consulted with governments at all levels—federal, provincial and municipal—and we've been extremely instrumental in working with them to ensure the drafting of fair and equitable operational, taxation and protection policies that govern both our members and their consumers.

I'm here today to speak on behalf of Canada's shared ownership sector, to express our concerns about the har-

monized sales tax and to provide some background regarding the potential economic consequences should this bill be allowed to pass without amendment or consideration of our sector. Although I haven't read the entire act, I believe the sections that pertain to our products and programs are covered under lifetime memberships or, in the cases where deed and title or fee simple ownership is conveyed to the purchaser, the sales of newly constructed or pre-sale recreational real estate.

Although the shared ownership sector was once regularly maligned—quite frankly, often for good reason—the global travel and tourism industry now recognizes that shared ownership is truly the economic engine that keeps on giving. In the past decade, North American sales have grown to over $10 billion each year, and virtually every major hospitality brand in the world has embraced shared ownership as part of their product mix because they recognize that shared ownership provides them with a guaranteed, residual base of visitors for decades to come. Marriott, Hilton, Hyatt, Disney, Sheraton, Fairmont, Wyndham, Starwood, Westin and Omni have all incorporated some form of resort-sharing ownership programs into their new resort projects.

Why? First of all, the economic benefits to both the hospitality providers and their resorts' local economies are substantial. Very simply, by virtue of prepaying for their accommodations, the purchasers of these products have made a personal financial commitment to visit these resorts and resort areas for decades to come. With such a commitment in place, the hospitality providers are effectively guaranteed 100% year-round occupancy, and they are subsequently able to commit to building a substantial recreational infrastructure because they know that there will always be consumers in place for the golf courses, the spas, the restaurants and other recreational amenities.

While a guaranteed, residual base of year-round tourists and the development of a self-funded recreational infrastructure would certainly appear to be benefit enough, the most powerful impact of shared ownership can be felt throughout the entire economy, all the way from the local resort communities and regions up to the provincial and federal levels.

First, let's take a quick look at the economic impacts of our industry. Although we haven't conducted a state-of-the-industry study for several years, a comprehensive 2002 study conducted by NorthCourse, commissioned by CRDA, provides a compelling overview of the substantial economic benefits delivered by shared ownership's developers and consumers, especially when compared and contrasted to traditional tourists. The NorthCourse study clearly shows that shared owners are affluent, they spend more time in the resort area than transient visitors, and they spend substantially more money while they're in the area on purchases such as restaurant, golf/ski and spa services than other visitors. By virtue of their ongoing commitment to support the project via the contribution of annual maintenance fees, they provide guaranteed year-round employment for service, maintenance and support personnel. They also contribute substantially to the local, provincial and federal tax bases.

Here's a quick snapshot of the typical shared ownership consumer and, more importantly, why you should care about them.

Eighty-six per cent of shared owners in Canada are married couples, 94% are homeowners, and 52% hold at least a bachelor's degree. The average age of an owner is 54 years old, and the median household income of owners is approximately $86,000 per year. Very simply, shared ownership consumers are educated, affluent and mature, and they can afford to spend generously while on vacation.

Shared owners also tend to spend more nights in resort areas than traditional tourists. Comparing the five-year periods before and after they purchased, owners went from spending 11.1 nights in the resort area to 28.8 nights, an increase of 159%.

Since their ownerships tend to be in luxury villas, condos and vacation homes, the travel parties tend to be larger, often four to six people per stay.

Because they've prepaid the accommodation portion of their vacations, shared owners tend to spend substantially more than other tourists while on vacation: an average of over $200 per day per visitor party. The money is spent on local area golf, skiing, spa services, dining and amenities.

As a result of the exchange component of the shared ownership product, 61% of all visitors to the areas are brand new visitors who have exchanged into the property or have rented accommodations from the owners.

0930

Many of these are consumers who likely would not have opted to vacation in our province, had they not been able to exchange their own accommodations for similar accommodations here. In short, shared ownership is a marketing machine that continuously attracts new, affluent tourism into its resort areas.

Year-round occupancy of shared ownership projects is approximately 91%, compared to an average of 60% to 70% at traditional inns and resorts.

The shared ownership projects are fully supported by the collection of annual maintenance fees, and these are collected whether these intervals are occupied or not. These fees are a potentially important stabilizing influence on the economies of traditional seasonal resort areas, and they represent an important distinction from hotel guests and other transient visitors, who contribute nothing to the local economy if they don't visit the resort area.

Most importantly, these fees are used to pay local and non-local employees to operate and maintain the project; to pay for improvements and refurbishments; to purchase goods and services, locally and elsewhere; and to pay for utilities and to pay local, provincial and federal taxes. These expenditures are substantial and occur on a year-round basis. The total amount of owner-supported maintenance fees collected from all shared ownership

projects in Canada in 2008 is estimated to be in excess of $175 million.

It's important to note that even if the owner elects to exchange their interval for another, regardless of the destination, his or her maintenance fees are paid to, and managed by, his or her home resort. Regardless of where the owner chooses to vacation, the majority of the maintenance fees collected by his or her resort generally stay within the local resort area and are spent within the local and regional communities. For example, if a person purchases a time-share in Collingwood and elects to exchange their week for similar accommodations in Europe, the maintenance fees they paid stay in Collingwood.

Consumers spend over $350 million annually to purchase shared ownership products and programs in BC and Ontario. For every $10,000 spent on shared ownership, approximately $3,500 is spent on advertising and other hard marketing costs in the local area. Based on 2008 national sales estimates of $500 million, the shared ownership sector represents approximately $175 million in media and other purchases each year.

Here are our concerns about the HST. As an industry, we're extremely concerned about the impact of the HST on the affordability of shared ownership programs in Ontario and BC, because in addition to onerous increases in the owners' ongoing maintenance fees, purchasers will be required to pay this substantial tax upfront as part of their purchase commitment. On an $85,000 fractional ownership purchase, this would add more than $11,000 to the overall purchase price. This concerns us for several reasons, and it should cause you serious concern as well.

First, it's important to realize that shared ownership is truly a global product, and as I've mentioned, owners of fractional interests in one area generally have the option to exchange their ownership for equivalent accommodations in another. This was cited in our study as one of the main reasons people choose to purchase shared ownership.

With this in mind, there's absolutely no incentive whatsoever for consumers to pay 13% more for a product in Ontario or BC than they would pay to acquire a similar product in Palm Springs, California, or Orlando, Florida. If those purchasers elect to flee our province and purchase shared ownership elsewhere—and faced with the spectre of paying thousands of dollars in additional taxes, there's every indication that they will—decades of passive residual tourism, local employment, infrastructure, taxes, wages, supplies, upgrades, food and beverage sales, and tertiary spending in the community go with them.

It's inconceivable to us that any government—

The Vice-Chair (Mrs. Laura Albanese): You have one minute left.

Mr. Ross Perlmutter: —would impose such a barrier to the development and support of a dynamic and robust economic engine, especially given this province's reliance on tourism revenue.

It's equally important to note that our developers and their owners are truly doing the work of the various regional, provincial, and federal tourism boards, because they're the ones incurring 100% of the substantial marketing costs, not the province. These developers attract people to their projects entirely at their own expense and they pay for all of the sales and marketing costs. In turn, the resort areas, the provinces and Canada are guaranteed a lifetime of passive residual visitors. They've incurred all of the costs of converting seasonal resorts to year-round resorts, and now they're paying substantially more in wages, taxes, utilities, infrastructure etc. than the seasonal resort operators, and they'll continue to do so for decades.

The fact is that areas that were once veritable ghost towns for eight months of the year are now welcoming year-round visitors, and this has happened without a single dime in marketing or development support from provincial or federal governments.

The Vice-Chair (Mrs. Laura Albanese): Thank you, but the time has expired for the presentation.

Mr. Ross Perlmutter: Okay.

The Vice-Chair (Mrs. Laura Albanese): Therefore I'll turn it over to Mr. Miller. Thank you.

Mr. Norm Miller: Thank you very much, Ross, for your presentation. The area I represent is Parry Sound–Muskoka. Certainly, I'm seeing first-hand the benefits to the area, especially the redevelopment of old resort properties that in many cases were "tired," which is the best way I can describe them, or not meeting consumers' current expectations. We've seen tremendous investment of capital in many different resort properties around Parry Sound–Muskoka through fractional ownership, through time-shares etc. I gather what you're saying is that this tax is going to make your products more expensive, because if it's a fractional ownership, you'd have to pay the 8% on the full upfront value.

Mr. Ross Perlmutter: Absolutely, and the ongoing costs. One of the parts of my submission, and I encourage you to read it when you get a chance, is a letter of support from the American Resort Development Association. It's kind of a backhanded letter of support because it basically says, "We'd love it if you imposed an 8% tax in Ontario." You're going to drive all the Canadian consumers down to the States. We have a strong dollar right now. Their developers would love it if we did that.

Mr. Norm Miller: So I guess your point is that we're competing worldwide, and we're making our jurisdiction more expensive. So if somebody has the option of buying a time-share in Florida or wherever, we're competing against them. So we're just making it more expensive here in the province of Ontario.

Mr. Ross Perlmutter: Absolutely.

Mr. Norm Miller: There are other aspects of this bill: It also increases, on transient accommodation, the rate from 5% to 8% annually and the possibility of another 3%—I guess it's a DMO fee. I would assume that would negatively affect your organizations or your properties because they also rent out accommodation on a transient basis.

Mr. Ross Perlmutter: We're not really affected so much on the rental side as on the purchase and the ongoing maintenance side. It would apply to us in much the same way that it would apply to a residential condo, I think, in the ongoing fees.

Mr. Norm Miller: And the government's saying that there are going to be lots of jobs created. I would assume this is going to be a negative effect on your industry. Any idea of how many jobs you would lose in your sector as a result of this?

Mr. Ross Perlmutter: We haven't been able to quantify it, but I would just remind you of something I recall learning in grade three, which is that 8% of nothing is nothing. If you kill the industry, this isn't going to benefit the province. I'm reminded of the auto industry and the auto sector. They come to the province and the feds on bended knee and say, "We're in trouble," and they gave them money. They didn't corner the market on economic misery, and it doesn't make sense. You didn't go to the auto industry and say, "Here's the solution: Let's charge 8% more for cars"—if you're not selling any. This hasn't been a great year for our sector and it hasn't been a great year for a lot of sectors, and we're deeply concerned that putting an 8% increase at this time is just absolutely the wrong way to go.

Mr. Norm Miller: And it's a relatively new industry in our area, anyway. I've seen, especially in the last 10 years, many different properties, as I said, be reborn and have tremendous investment and be first-quality, first-class accommodations replacing older, more tired resort properties in many cases. So I really see the positive benefit.

Mr. Ross Perlmutter: Thanks for—

Mr. Norm Miller: I note—I just want to get it on the record—that you do have a letter of support from the American Resort Development Association, a letter of support from a resort development organization in Europe, a letter of support from Wyndham Worldwide, and from a couple of other organizations that you've filed as well.

One other issue that I've raised in the Legislature connected with tax is the land transfer tax being applied retroactively on fractional ownerships. Do you want to speak about that at all?

Mr. Ross Perlmutter: That's a huge issue for us and it's something we're looking at right now. Without veering too far off course, my understanding was that it was retroactively applied going back seven or eight years. We firmly believe, and it's more the structure of the fractional ownership model in Ontario, that such a tax shouldn't apply. There is no land actually being transferred. It's been transferred once already to an entity that owns it. But it is, again, a good example of one more way to damage this industry. I want to say that, as an industry, we are more than open to discuss ways that we can contribute to this industry, and we have models from all over the world that we can look at in terms of tax generation. Our industry is a very good provider of tax revenue.

We just don't believe it. If you call it a harmonized sales tax, then let's harmonize the 5% with the zero and that's the rate. This is a stealth tax. This is an all-of-a sudden, 8% tax that's come out of nowhere that's been tacked on, and that's what I resent more than anything else: the way it's been put forth, in that way. We have no objection whatsoever to a harmonized sales tax, and the business argument as you've put forth is absolutely accurate. It makes sense.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. Thank you for your time.

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ONTARIO AUTOMOBILE DEALER ASSOCIATION

TORONTO AUTOMOBILE DEALERS ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): The next presenter is the Ontario Automobile Dealer Association/Toronto Automobile Dealers Association. Please come forward and be seated. Welcome.

Mr. Ian Bacque: Thank you very much, Madam Vice-Chair.

The Vice-Chair (Mrs. Laura Albanese): You may state your name, and after that you can begin.

Mr. Ian Bacque: My name is Ian Bacque. I'm the director of government relations for both the Ontario Automobile Dealer Association and the Toronto Automobile Dealers Association. In past lives I have worked at the Ministry of Finance on sales tax policy and as a federal tax court crown attorney representing Her Majesty.

Turning to the second page of my presentation, just a little about our association. The Ontario Automobile Dealer Association represents about 530 new automobile dealers in all regions of the province. It provides government relations advocacy, member services, continuing education, and is involved in setting industry standards. The Toronto Automobile Dealers Association similarly represents, since 1908, 340 new automobile dealers in the GTA. It's not just the city of Toronto, 416, but the broader GTA. They are entrepreneurs, but they're also committed corporate citizens making major charitable donations and also setting industry standards. Some of you, just as an aside, may have heard about a $2-million charitable donation to the Ronald McDonald House that the TADA made earlier this year.

We are members of the Smart Taxation Alliance. My presentation may differ a little bit. We are absolutely supportive of the bill and of the government's decision to implement the harmonized sales tax for a variety of reasons that I'll talk about in a minute. I understand that you will probably hear from some groups who are opposed, or at least opposed in their own case. I have to say that we are somewhat magnanimous in this. We just support the tax; it's the right thing to do. It's the best thing for business. It'll lower prices and help to create

jobs over the long term. It's so much simpler for business people.

We just recently joined the Smart Taxation Alliance and adopt the presentation made by—I guess I have a copy here—Rob Hattin of Edson Packaging, just so you know that we have been working with that alliance.

A few words on slide 5 about the automobile market in 2009: It certainly has been in the news. My friend who spoke just a minute ago said that the sector requested bailouts. That, of course, is absolutely not true. Certain companies within the automobile sector found themselves in deep structural situations and required refinancing. That was done in both the United States and Canada on a bi- or multi-partisan basis, if you will.

It's a very competitive marketplace, if you think about your own communities in the GTA. Obviously, if you choose to buy a certain vehicle, you've decided on the brand and the model and the manufacturer. The manufacturers have competed one with the other to get you to buy whatever that motor vehicle is or to make that decision. Then, in the marketplace it's highly competitive. You can go to any number of dealerships to purchase that motor vehicle.

Year to date, Canadian light vehicle sales are down about 12.5%, but the individual corporate results, and the source of this—I apologize to Dennis DesRosiers; I have not given him credit in writing, but we worked closely with him. These numbers are from DesRosiers Automotive Consultants. The individual corporate results range from an increase of almost 30% year after year to down by 50.7%. So some of our members will actually say that they're having quite strong years. Some of them will say that August and September were their best in 30 years.

We're also preparing for a new regulatory world on January 1. The long-awaited Motor Vehicle Dealers Act, 2002, will be implemented on January 1, 2010. We've been working closely with our friends at OMVIC, the Ontario Motor Vehicle Industry Council, to prepare our members. It will implement a code of ethics for dealers and salespeople, and far from resisting it, we embrace it and have worked closely with the policy-makers and the regulators to bring us to that new regulatory regime.

Specifically, why do we support the bill and the harmonized sales tax? Simplicity of administration. It's very helpful for small and medium-sized businesses. When you think of a certain car company, you might think of it as being a very large business, and they are. But some of our members are quite small business people, and so the simplicity of dealing with one tax administration, one tax authority and one code and a tax applied to the same things in the same tax base is obviously appealing. Frankly, it just makes sense.

As I mentioned, in a past life I worked with the Retail Tax Act. I don't know if anyone here has a copy of it with you, but it's as thick as a phonebook. It starts by saying, "All transfers of TPP are taxable"—tangible personal property—"things." Then, in about 1,000 pages it tells you what is an exemption, what's a sub-exemption, what doesn't apply, what does apply, and then the services that are taxable. It is a very complex piece of legislation. The regulations are huge. They're very difficult to work with and very difficult to comply with.

The HST, being a valued-added tax, is a much more fair tax as well. In our case, a very important issue that it deals with—and we applaud the Minister of Finance and the Minister of Consumer Services for dealing with this—is what's called curbsiding. If you think you're buying a used vehicle from a private vendor, quite often you're not. Unfortunately, often the criminal element is involved. They're selling motor vehicles and they look, feel and sound like a private vendor, but they're not. It's a business. Long ago, I actually had a personal experience when I was articling doing a lien search. The guy had said, "It's clean," but it had a $6,000 lien on it. He said, "How did you find out?" The only reaction was, "How did you figure it out?" It wasn't, "Oh, gee; sorry."

What we have currently is a tax-based incentive to buy from one of these people as opposed to a registered and regulated automobile dealer. It's a 13% tax right now on a used vehicle if you buy from a member of our association, and only 8% if you buy from a curbsider or privately. Not all private sales are curbsiders, but that is a glaring oddity of the tax system currently. The value will be up and down and the dollars of the tax bill will depend upon the value of the goods being transferred, but for the rate to be 13% here and 8% there doesn't make sense, especially if you want to level the playing field and raise consumer protection.

We actually strongly applaud the government for listening to us and for not just moving towards the HST but making a proactive decision that was in the hands of the government of Ontario, not the federal government—it was left to the province—to apply the full 13% tax regardless of where the vehicle is purchased. It's the right thing to do. It builds consumer protection and avoids confusion in the marketplace.

I hope that was as clear as possible. Those would conclude my formal remarks for the committee. I'll be pleased to answer any question.

The Acting Chair (Mr. Charles Sousa): Thank you, Mr. Bacque. We now have five minutes of questions and answers. This round goes to Mr. Prue.

Mr. Michael Prue: Thank you very much. Just to set the record straight, the Smart Taxation Alliance has done a good job in getting all of their members out to this. In fact, you are virtually the only ones speaking in favour of this. A poll in the Toronto Star last week showed that 78% of the people of Ontario oppose it; 83% say it's going to cost them a lot of money; and 70-some per cent say that their opinion of the government has gone way south as a result.

But you're here. Can you tell me: How much additional profit you think is going to flow into your membership as a result of this bill, if it's passed?

Mr. Ian Bacque: None.

Mr. Michael Prue: So you're not going to make any money at all?

Mr. Ian Bacque: My guess is, none. You can turn the argument about polling on its head and say that it took a lot of courage to implement something that, in the short term, is going to be a tough sell. I assure you, I'm not here to speak as a politician or to sell the tax writ large or broadly, but I think you see a government in Ottawa that is of a different political stripe than the government here—in fact, many of them used to be here—and they agree, federally and provincially, that it's the right thing to do. It will boost the economy. It will be a lot fairer and simpler.

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I'm certainly not here for the motion picture folks, but I have long held the belief that 8% should be 8%. We just want to tax movies at 10%. The RSTA is a mess, and this brings clarity to it.

If there are increases in the short term, it may or may not be in government revenue, depending on the base.

We're talking about a situation in our case where there's a glaring unfairness—not to us, necessarily. It doesn't help us on the used vehicle sales but it certainly doesn't help the consumer either. So this is a very positive move, actually, despite what the polls may or may not say. But again, I'm not really here to speak to that aspect.

Mr. Michael Prue: There appears to me to be a lot of consumer resistance. The many people who have spoken to us have talked about huge increases that they're going to end up paying as a result of the HST, particularly on gas and electricity, I think, since some of the cars will now be using more electricity for power.

There seems to be a huge resistance, and consumers are telling us they'll no longer be able to buy what they consider luxury items, like cars, because they'll be taxed to death. I think I got pretty close to 1,000 e-mails given to me by the clerk, almost all of them on that point.

What makes you think that people will have the money to purchase cars when they're paying for everything from gasoline to electricity to lawyers to accountants—they'll be taxed on their savings—they'll be taxed on all these things?

Mr. Ian Bacque: In terms of overall consumers, where we're coming from is that this is actually not just good tax policy; it's a consumer protection initiative, as I've described the curbsiding issue. So it actually helps consumers.

Your concern for overall motor vehicle sales is something that we appreciate, but our members are here to support the tax. It obviously will not impede the sale of new motor vehicles or used motor vehicles from dealerships in the future.

In fact, I think the evidence is there. You may have people like Mr. Drummond and others, who are infinitely more capable to speak to this issue than am I, but they, as I've read and heard over the years, will say that it is to bring such efficiencies in administration and such clarity on the tax base issue that instead of taxing goods along the way—one, two, three, four, five—in the process, they just apply it at the end, and it helps the economy and lowers prices. Consumers might see 8% more on certain items than have been listed all over the papers and everywhere in the short term, but in the long term, prices come down. My understanding is that the evidence is there to support that.

In terms of electricity, if I could just take one second to comment on that, we are working with the ministries of transportation, revenue and environment on a strategy around the sector and electric vehicles. It's a bit of the stretch to say that it will cost consumers more if they use an electric vehicle because there would now be 8% tax on it, because their overall energy consumption to move that vehicle is going to fall off the side of a cliff.

The Acting Chair (Mr. Charles Sousa): Mr. Bacque, we've run out of time. Thank you very much for attending today.

Mr. Ian Bacque: Thank you all very much. I appreciate it.

ASSANTE WEALTH MANAGEMENT

The Acting Chair (Mr. Charles Sousa): If I could call up the next presenter, please. I believe it's Assante Wealth Management. If you could, once you're settled, please state your name. You have up to 10 minutes for your presentation.

Mr. Steven Donald: Thank you, Mr. Chair, and thank you, members of the committee, for the opportunity to appear before you and participate in your public consultations regarding the implementation of a harmonized sales tax in Ontario. I am Steve Donald, president and CEO of Assante Wealth Management.

Assante Wealth Management represents over 800 registered financial advisers, who in turn assist over 400,000 Canadians from coast to coast in managing their financial affairs, investing for their futures and planning for their retirement.

I'm going to provide perspective on how this policy will impact not only Ontarians but Canadians across the country who are currently saving or have saved for their retirement. I will touch on the sheer quantum of this incremental tax on savings and then review how this policy leads to taxpayer inequity.

While the fundamental principles of a value-added tax have merit, we have some deep concerns as it relates to the implementation of this plan in Ontario with respect to investments and savings for retirement. According to the Ipsos Reid Financial Monitor, investment funds, which include mutual funds and segregated funds, are the largest category of financial assets held by Canadians, at 38%. In general, Canada is unusually punitive in its taxation of investment funds by subjecting them to GST, and now HST, while exempting or having limited impact on other investment products.

Investment funds are a cost-effective way for Canadians of all income levels to gain access to the capital markets and benefit from the scale of pooled investments that lead to better diversification and lower transaction costs. Their benefits have been recognized in other juris-

dictions that have value-added taxes similar to the GST, including the UK, France, Australia and New Zealand by the provision of rebates or exemptions for investment management services. The value of investment services to provincial economies has also been recognized by other Canadian provinces with value-added tax policies, being Quebec, New Brunswick, Nova Scotia and Newfoundland, through zero-rating or exempting the supplies. Extending the faulty policy structure of the federal GST to the provincial level would be a further drain on the savings of Canadians, which will be detrimental in this environment of underfunded retirement plans.

The Investment Funds Institute of Canada has found that the GST costs Canadians an incremental $450 million a year that is drawn from their mutual fund investments versus other non-taxable investments. Sixty-one per cent of mutual fund assets are held by residents of Ontario and BC, which means that the combined burden on the savings of Canadians will be almost double the GST burden, or almost $900 million each and every year that will be drawn from the savings of Canadians. The current proposed HST penalizes responsible Canadians who are saving for their retirement at a time when there are widespread concerns that the retirement savings levels are below those necessary to provide for a good standard of living in retirement. The Ontario government is of course well aware of this issue, having struck an Advisory Council on Pensions and Retirement Income earlier this year.

One might suggest that this incremental tax on savings is offset by the personal tax reductions and increased tax credits for sales taxes as well as the transitional measures included in Ontario's Tax Plan for Jobs and Growth. A reference is made in Ontario's Tax Plan for Jobs and Growth to "a fair and balanced package of tax cuts for both people and businesses." The issue, however, that the plan does not address is the equitable distribution of the tax reductions versus the inequitable application of the sales tax. Unfortunately, the implementation of the HST as currently contemplated does not extend this principle of fairness, but rather is unfair and prejudicial to certain groups of Ontarians in the impact it will have on their savings.

Let me touch on who gets hurt by this proposed tax on savings. The implementation of the HST as proposed is discriminatory against those Canadians who are responsible for saving for their own retirements versus those who participate in a company or government-sponsored pension plan. According to Statistics Canada, 59% of retirement savings in Canada are held in government- or company-sponsored plans. These plans either pay no sales tax or benefit from reduced tax burdens. By contrast, 41% of all retirement savings in Canada are held in individual retirement savings plans such as RRSPs or RRIFs.

According to data from the Investment Funds Institute of Canada and Ipsos Reid, approximately 75% of the $739 billion held in individual retirement savings plans are held in mutual funds. This number goes higher if you include other pooled investment products that will be subject to the HST. In addition, within that group of investing Canadians who are saving for their own retirement, this policy is also prejudicial against low and middle-income investors. Again, according to Ipsos Reid, 62% of Canadians who own mutual funds earn less than $100,000 a year. For these investors, pooled investment funds are a very effective way of gaining access to the potential returns in the capital markets using equities or income securities. By pooling assets together, these investors benefit from broader diversification and lower transaction costs that would not be available to them if they were investing directly.

The government is now proposing a tax policy that imposes a tax on these investors, whereas investors with larger amounts of capital to invest can elect to invest directly in assets that will not be subject to the HST without significantly impacting their risk/return profile. This policy is, in part, reversing the equity that pooled investment funds introduced to all Canadian investors.

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While most Ontarians will benefit from one or more of the tax reductions, sales tax rebates and transitional relief measures, the inequity arises due to the fact that many Ontarians will use these rebates and relief measures to offset the HST they will incur for such things as haircuts and other services that were not previously taxed. But it is only a specific group, those saving for their own retirement, who will be assessed this incremental tax on their investment funds. This tax policy will result in inequitable treatment of Ontarians.

I would like to highlight further the impact of this tax policy, resulting from its discriminatory treatment of various savings and investment products. Take, for example, two largely equivalent savings products: a high-interest savings bank account and a high-interest savings money market mutual fund. The sponsor of a bank account, typically a Canadian chartered bank, earns its revenue through its interest rate spread, or the difference between the rate at which it lends its customers money through loans or mortgages, as examples, and the rate at which it borrows money through savings accounts or GICs, as examples. This interest rate spread, or revenue, is not subject to HST, or GST for that matter. Contrast that with the high-interest money market mutual fund, where the revenue is earned not in the form of an interest rate spread but rather in the form of management fees. These fees are taxable.

Like the GST, the HST in its current form is discriminatory against, and unfairly penalizes, Canadians who are saving through the use of mutual funds rather than using a bank account. Further damage will be done to the savings of Canadians if this policy results in product arbitrage, where investors migrate to non-taxable investments such as bank accounts, GICs or direct investments in bonds and stocks. This is due to the fact that most Canadians require the higher return potential of equities to be part of their retirement investment strategy. For these Canadians who migrate their portfolios to non-

taxable savings accounts or GICs, they will likely end up with a shortfall in their savings for retirement. As for investing directly in bonds or stocks to avoid the HST, this typically introduces a higher degree of risk in one's portfolio.

You likely noticed that I have been making reference to Canadians throughout the course of my remarks. This is to highlight the fact that imposing this incremental tax on savings by taxing services provided to pooled investment products—a product used by the majority of people saving for their retirement—impacts not only the citizens of Ontario, but Canadians in every province, due to the structure of investment funds whereby every participant in the fund shares equally in the costs, including the taxes imposed.

Mr. Chair and members of the committee, let me summarize by saying that this tax on savings will result in Canadians drawing hundreds of millions of dollars from their savings each and every year, and this amount grows as savings requirements of an aging population grow. In addition, the Canadians who will be hurt the most by an increased tax on investment funds will fall in the middle- and lower-income categories.

We recognize that harmonization of the provincial sales tax with the GST may reduce the administrative burden for Ontario businesses and stimulate investment spending in the province. However, such harmonization should be conditional on providing relief for savings vehicles now subject to the federal GST in order to provide equity to all Ontarians saving for their retirement.

Thank you for your time today, and I certainly hope that our perspective on behalf of Canadian investors can be taken into account in your deliberations.

The Acting Speaker (Mr. Yasir Naqvi): Thank you very much, Mr. Donald, for your deposition. I think this segment now goes to the government side. Mr. Sousa.

Mr. Charles Sousa: Thank you, Mr. Donald, for your presentation. We do appreciate your insight, and we recognize how important it is to ensure that we have a stimulated economy so that more people can invest and so that they do, in fact, provide for their savings and retirement.

There were a couple of points made. I appreciate your concurrence that the overall tax reform is the right step in order to ensure that we move forward with that increased economic activity.

Recognizing some of the concerns you have, as it stands now, with the GST on some of the services you provide, let me make sure we have it clear: It's the service component of managing those funds that you can incur a tax on? So right now, let's assume it's a 2% charge that you do for managing a wrap account or so forth: You then have to charge an additional 5% on that 2%, which equates to about 2.1% or whatever. With this additional 8% that's going on—and it is, right? Seventy per cent of things we buy are exempt, so now this is one of those services that are going to incur—it'll come out to about 2.19% or so, in terms of your fee.

I've heard also, oftentimes, that this is a $3-billion grab of tax, but it's only on that additional component of services, as you've mentioned. Yet we still have—and you talked about the big tax cuts we're doing for consumers, about $10 billion, and another $4.5 billion in tax cuts for businesses, all of which incur some of that spending. You've also talked about capital tax—maybe you didn't. But in some of your funds, capital tax is now removed and that's going to be an added component.

Our indications show that we're going to be short about $3.4 billion. Even after the feds give us the $4.3 billion that we're using towards the consumer, we're still going to be shy $4.3 billion over the next four years.

Recognizing some of that, recognizing that your companies also incur 8% on the things you buy—those input costs, marketing costs—how much would you be saving in some of your operations while you're servicing the client?

Mr. Steven Donald: Please don't misunderstand: My remarks were not intended to reflect the mutual fund industry. At Assante Wealth Management, we have access to a wide array of investment solutions, so we're really speaking on behalf of investors.

It's the inequitable treatment of our clients—investors in Ontario and across the country—that we're really speaking to here.

Mr. Charles Sousa: Yes.

Mr. Steven Donald: As advisers representing Canadians across the country, we can have access to both taxable or non-taxable services. The point we're trying to make today is that for typical Canadians, particularly those in the low or middle-income categories, the utilization of pooled investment products has been—in effect, it has democratized the ability of investors to gain access to equity markets.

By imposing a tax on these investors versus not imposing a tax on those investors, say, for example, who participate in a government-sponsored pension plan that receives the same level of services that are provided by the suppliers in terms of asset allocation and the like, this policy as it currently stands is introducing an inequity between two Ontarians, one who is paying an incremental 8% tax on those services and another who's receiving those services on a tax-exempt basis through participation in, as an example, a government- or company-sponsored pension plan.

Mr. Charles Sousa: And your company would then also be able to receive back those grants—I mean that 8%. You may pay 8% on your marketing costs or on your equipment purchases. I don't know. I mean, I'm just trying to determine—

Mr. Steven Donald: But again, it's really the inequity of one investor versus another. Ontarians are being treated distinctly based on how they've saved for their retirement. There is an advantage to those who participate right now, the 59% I think I referred to, in company- or government-sponsored funds—

The Vice-Chair (Mrs. Laura Albanese): One minute left.

Mr. Steven Donald: —versus the 41% that participate in saving for their own retirement. Those people are

being treated prejudicially with the application of the HST as it is currently being considered.

Mr. Charles Sousa: Thank you for your time.

Mr. Steven Donald: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

ONTARIO MASSAGE THERAPIST ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): Up next we have the Ontario Massage Therapist Association. I would ask you to come forward and take your seat. Please state your name for the purposes of Hansard recording. You will have up to 10 minutes for your presentation. You may now begin.

Mr. David Melanson: Thank you very much. My name is David Melanson. I am a registered massage therapist. Thank you for hearing our submission this morning.

I've been a regulated health professional in Ontario since 1983. I provide rehabilitation treatments in a clinical setting, co-treating with physiotherapists. I receive most of my patient referrals from medical doctors or physiotherapists. I must abide by standards of practice, a code of ethics and all other legislative requirements by the Regulated Health Professions Act and governed by the College of Massage Therapists of Ontario.

Massage therapists in Ontario have a fundamental concern about equality and fairness when it comes to the proposed HST legislation. We should be exempted from this legislation. We are regulated health professionals providing medical treatments to our patients. Why is this legislation proposing to require us to charge HST on medical treatments provided by regulated health professionals? The situation is already unfair for massage therapists because we currently charge GST on treatments administered.

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For me the answer to this issue is, simply, that two wrongs don't make a right. The federal legislation, when it was enacted, required five provinces to regulate the medical profession before the profession was exempted from collecting the GST. But health care is a provincial matter. Massage therapists in Ontario have been regulated here since 1919. The GST legislation should provide for medical professions that are regulated by the provinces to be exempted.

This is an issue of equality. Under the current proposed HST legislation, I will be required to collect the HST, and my physiotherapy colleague in the office next to me will be exempted. Medical doctors may ask me, "Why do you have to collect HST?" The physios who I work directly with will ask me, "Why do you have to collect HST?" And my patients certainly will ask me, "David, why do you have to collect the HST?" I've thought a long time about this question, and I don't have a logical answer. We do the same treatments as chiropractors, physios and other hands-on professionals in this province.

So I'm asking the committee, can you help me with an answer? Because I don't have one. What am I going to say to my colleagues and patients when they ask me why I must collect HST on my treatments? Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that. Are you going to continue?

Mr. Andrew Lewarne: I am as well. My name is Andrew Lewarne. I am a board member with the Ontario Massage Therapist Association.

There are over 9,000 registered massage therapists in Ontario. The Ontario Massage Therapist Association is a not-for-profit member-based organization that provides leadership for, and advocates on behalf of, the profession.

Like many other health professionals, most registered massage therapists are self-employed. Unlike most of the other health professionals, RMTs tend to not have a single clinic or practice location, but rather they tend to work in two, three or, in some cases, four different practice locations. What this tells the OMTA is that registered massage therapists are not big business. They will not benefit from many of the incoming tax credits anticipated for business. Their overhead is, generally speaking, relatively low. Nonetheless, with incomes in the ranges that we have seen from the earnings survey, most RMTs will be significantly impacted by the decision to harmonize the sales tax.

We understand that the HST is a complex, multifaceted issue of great importance to the future of Ontario. We are hopeful the Ontario government will take our concerns into account before finalizing the HST legislation. We have several concerns.

First, the government of Ontario has stated that there will be no change in taxable/exempt status for consumers for most health care services. To date, there has been no clarification concerning what the government means by "most health care services." No definition of health care is provided for in the act implementing harmonization. In the absence of a clear definition, it is believed that the Ontario government will be using the federal definition of health services, giving up this provincial decision-making authority, and therefore, massage therapy will be taxable at the 13% rate.

The OMTA would suggest that there is a better, more consistent definition for "health care services" within the province of Ontario. The Regulated Health Professions Act already defines which groups are considered regulated health professions within Ontario, and by defining health care services within the framework of the RHPA, the government would have a fair, logical and Ontario-specific definition and could prevent the two classes of health care services now in practice under the GST rules. Doing so also leaves health services within the provincial jurisdiction and not a shared jurisdiction with the federal government.

The OMTA's second concern is focused on HST input tax credits. The Ontario government will be implementing HST input credits, much the same as those

available now under GST rules. The new HST input credits should allow businesses to recoup HST costs incurred during production or procurement. These savings would then be passed along to consumers.

As a profession that is heavily service-oriented, massage therapists do not have many consistent input costs. The average therapist would not realize significant input credits to pass along the savings to their clientele. This would translate into a significant increase in the cost per visit to a massage therapist.

In the absence of available input tax credits, registered massage therapists will not be in a position to reduce prices as anticipated by the legislation. As a result, fees charged by RMTs to consumers will increase by a minimum of 8% as RMTs begin to collect this new tax on a previously exempt service. Consumers who are not accustomed to paying 13% tax on health services will be facing increased costs in an environment where consumer spending is at a minimum.

With an increase in costs, the OMTA anticipates that most massage therapists will experience a decline in demand for their services. This will be true whether the consumer is paying for massage therapy on their own or through extended health benefit programs that will not include coverage for HST. Most insurers are GST exempt, and it is presumed that they will remain HST exempt as well.

However, if RMTs decide to absorb the 8% increase due to fear of losing a significant percentage of their client base, then the implementation of the HST actually represents a 7.4% tax increase after the first year of implementation. Those numbers have been made available to you with the handout package. We have a second set of numbers for a slightly higher income bracket.

The OMTA continues to work towards a future exemption from GST/HST through our efforts with other provincial massage therapy associations to attain regulation in other provinces. Recently, we worked with the Massage Therapist Association of Alberta in their efforts towards regulation and have done some preliminary work with the Massage Therapists' Association of Nova Scotia. Notwithstanding this effort, regulation in the additional two provinces required under the rules established by the Canada Revenue Agency is many years away.

Studies have shown that Ontario stands to gain substantial business savings and job creation with the implementation of the HST. The OMTA hopes that the government of Ontario will consider its concerns and take the necessary steps to ensure that registered massage therapists and those that rely on their health care knowledge are not left out of the benefit of the HST.

In closing, the Ontario Massage Therapist Association has not taken the position that it opposes harmonization. It is our view that efforts can and should be made to protect health care and health services in this province. We believe that harmonization makes good sense for big business but not for the average self-employed health care professional, and absolutely not for registered massage therapists.

We implore the Ontario government to consider carefully how it might amend its proposed legislation in order to ensure that Ontarians will benefit from the services of a registered massage therapist for many years to come.

Thank you very much for your time.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I will turn it over to Ms. MacLeod for five minutes of questioning.

Ms. Lisa MacLeod: Thank you very much for attending committee today. I really appreciate it. I just have a couple of questions. My colleague from Parry Sound–Muskoka has questions as well.

I appreciate your concern about the jurisdictional issues that were allowing the federal government to make some decisions with respect to health care. Also, one of the things that I've been concerned about is giving up our direct taxation powers that we do have under the Constitution. I just wanted to point that out. I think it's very valid. Given the time constraints we've had with respect to this legislation, we should have focused a lot more on where our jurisdictional issues lie with respect to that. And you're not the first ones to bring it up. Actually, Grand Chief Angus Toulouse came in from the aboriginal community to point out that in the haste for the McGuinty government to put this through, there are some constitutional challenges.

With respect to your numbers, I don't think this was handed out to anyone else other than members of the committee. You're looking at proposed savings from the government at about $1,660 a year, but you're expecting that because of the HST, it's going to cost you about $229.20 a month, and at the 7.2-month mark, the cost to massage therapists matches the savings rebate from the government. The remaining 4.8 months at $229.20 per month means that you are going to have a net loss of $1,100 a year. Is that correct?

Mr. Andrew Lewarne: Twenty-seven hundred and fifty dollars per year.

1020

Ms. Lisa MacLeod: Oh, that's right; $2,750 per year, it's going to cost you.

I just want to talk a little bit about your clientele, because I've been to a massage therapist. I'm sure that you see a lot of people who are either off from work because of injuries, or you see a lot of seniors who are on a fixed income to help them with different issues. From your business perspective and your health care perspective, it's difficult. But also, from your consumer perspective, is it going to cost jobs for massage therapists in the province because there might be less of a demand based on the fact that there's going to be an inability to pay?

Mr. Andrew Lewarne: At a certain point you need to be able to make a living, and if you start looking at $2,750 a year on top of what's already being paid—and that's based on the mean income of the massage therapist in Ontario. It's a bit skewed because there's a great number within the first five-year mark, but the mean survey is

about $37,000—so if you look at taking $2,750 away from that, you're looking at the potential of new massage therapists saying, "This is not worth my time," and they will leave. If they do, those people we see will then begin to access not the other regulated health professions other than doctors—most of my people come to me having seen the physiotherapist, the chiropractor, the naturopath, the osteopath and it hasn't worked for them. So the way that I conduct my work happens to work for them. If they're not going to see me, they're going to go to the public system, at which point it begins to cost the public money.

Ms. Lisa MacLeod: Absolutely. I'm just curious: With respect to your numbers, do you also include in there any medical supplies you need, your heating and your medical journals?

Mr. Andrew Lewarne: No. I've included none of that. I've just taken the base gross, the potential savings that we have in the first year, and then what it would mean in the further years.

Ms. Lisa MacLeod: So your burden will actually be a lot higher than that, is the point I want to get at. You're going to be hit with everything else as well. I imagine many members of your organization do need medical journals and supplies—

Mr. Andrew Lewarne: I will, and I can actually give you a very good example of that. I have a client who is WSIB. WSIB is tax-exempt, but the time that she needs for the treatment is over what they will pay. So, up front we have what the WSIB is paying, which is tax-exempt, and then she's paying on top of that in order to get the proper time for the kind of treatment that she needs, and it will cost her a further 8%.

Ms. Lisa MacLeod: Or she'll be forced out and she will not get proper treatment—

Mr. Andrew Lewarne: Or she'll be forced out; she won't be able to afford it.

Ms. Lisa MacLeod: My colleague has a question. Thank you.

Mr. Norm Miller: I think I get about 10 seconds to ask this question.

Ms. Lisa MacLeod: Sorry.

The Vice-Chair (Mrs. Laura Albanese): We only have 30 seconds left, so I just want to let you know.

Mr. Norm Miller: One point I think I should make is the question of fairness, because a physiotherapist will not pay the tax but you will pay the taxes on massage therapists.

Mr. David Melanson: Physios, chiros—we're all roughly in the same boat, yes. They're not collecting any tax.

Mr. Norm Miller: And you really won't get many input tax credits. So pretty much the whole 8% is going to be passed on to the consumer, which will result in less demand for your services.

The Vice-Chair (Mrs. Laura Albanese): I'm sorry, Mr. Miller, but the time is up.

Thank you very much.

ONTARIO ATHLETIC THERAPIST ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We'll call our next presenters: the Ontario Athletic Therapist Association. Please come forward and have a seat. Please state your name before you begin. You will have up to 10 minutes for your presentation.

Ms. Andrea Prieur: Thank you. My name is Andrea Prieur, from the Ontario Athletic Therapist Association. I'd like to thank the Chair and thank you for the opportunity to appear before the committee.

Currently I'm an owner of an athletic therapy clinic in Caledon, and I also work at the University of Toronto in the David Macintosh Sport Medicine Clinic. I'm here today representing the Ontario Athletic Therapist Association and our 1,414 members across Ontario.

We fear that the introduction of HST next July will be the beginning of the end for the athletic therapy profession in Ontario. Listening to some of the reasons why just earlier, they're similar reasons.

Athletic therapists are not yet statutorily regulated in any province of Canada. We have our own national self-governing body that certifies athletic therapists, accredits athletic therapy programs in university, enforces a code of conduct and administers a complaints and disciplinary process that mirrors statutory regulation, but we don't yet have statutory regulation in place. In Quebec, work has begun to have athletic therapy regulated as part of the physiotherapy profession, and in Ontario, discussions are under way for athletic therapy to be regulated under the RHPA.

Because we're not yet regulated, the services that athletic therapists provide and the clinics we operate are not GST-exempt and therefore will pay the full freight for the combined PST and GST when the HST is implemented in Ontario. The PST is not payable on the services that we provide today.

Why do we think the HST is the death knell for our profession in Ontario? Quite simply, it puts us at a major disadvantage in terms of the prices we charge for our services relative to those other health care professions in the exact same manner of massage therapy. So physiotherapy, chiropractic and soon-to-be kinesiology, which will be exempt—that's who we typically compete with. Sustaining the cost differential created by the GST is bad enough. The additional cost differential created by the HST will be a killer.

We're deeply concerned that the clinics and the other organizations and individuals who employ athletic therapists as independent contractors or sole proprietors will look for the lower-cost alternatives presented by members of other professions that are GST-exempt.

We're deeply concerned that clients of athletic therapy will be incentivized to go to physiotherapy or chiropractic clinics down the road that won't add HST to their bills or will eat it within. Despite the fact that the services we provide are at least comparable to the services by other professions that are exempt, we believe the cost

differential created by the HST will be enough to tip our patients towards the GST-exempt professions. This is particularly the case given the very price-sensitive and intensely competitive environment we currently face and expect to face for the foreseeable future because of the economic situation.

Whatever other fiscal or economic benefits the HST might generate, I am in no position to comment on them or whether in fact they exist. My association believes that as a basic principle it is fundamentally wrong for tax policy to distort the marketplace and to interfere with the competition this way. Decisions relating to a person's health care should not be tax-driven or even tax-influenced.

In response to the HST, athletic therapists will have some options, none of which are particularly attractive. One option is to reduce our charges to patients in order to remain competitive. This means that our clinics or individual athletic therapists who work as independent consultants will be less profitable or will lose their business viability.

Another option for individual athletic therapists is to obtain registration with one of the RHPA colleges whose members are or will be HST-exempt, such as the college of physiotherapy and/or the college of kinesiologists. This would mean that our profession loses its identity, control and basically loses the control over destiny and viability.

We have done some basic financial modelling on the impact of HST and the athletic therapy practice compared to other likewise health care practices that are HST-exempt. In our written submission, you will see the negative differential that HST creates for our practices.

As I said earlier, we are confronted with a brutal Hobson's choice: Risk going out of business by eating the net cost of the HST after the input tax credits so we remain competitive, or risk going out of business because our clients will turn to lower-price alternatives. I'm afraid that our choices are stark.

Another option for individual athletic therapists is to become employees, but this option is realistic only for a very few because of the current economic environment.

The OATA is pursuing regulation under the RHPA, but even under the best-case scenario this objective won't be reached for several years. While waiting for regulation, our profession could easily wither and die.

Chair and members of the committee, thank you for your attention and consideration in having me here this morning. I'm open to any questions.

The Vice-Chair (Ms. Sophia Aggelonitis): Thank you. I will now turn it to the NDP caucus for questioning. Mr. Prue.

Mr. Michael Prue: Thank you very much. I was listening intently to what you said, but I was also glancing on the last page, which is, I guess, the bottom line for you in this whole thing. I note that if the HST is implemented and if you are required to eat it, then you're going to be running at a loss.

Ms. Andrea Prieur: Yes.

Mr. Michael Prue: First of all, I don't know how any business can continue to run at a loss.

Ms. Andrea Prieur: It is a little bit different because the majority of our members are consultants who work for private practices. So, in that essence, they don't have input tax credits to put against as an expense to their overall business. The clinic itself that may be owned by a private person, a chiropractor or a physician—they're the ones who are using the costs and paying for those GST costs overall.

1030

Right now we would be at a loss, and those independent consultants who are working for clinics are in fact going to have to change to other professions to maintain a living. They will not be able to work.

Mr. Michael Prue: You may have said this but I didn't catch it: How many athletic therapists are there in the province?

Ms. Andrea Prieur: Certified, there are 414 in Ontario. And we're the largest province with membership across Canada.

Mr. Michael Prue: When you said you'd have to look into other professions, would that mean going into those professions that don't pay HST—

Ms. Andrea Prieur: Possibly, but that's—

Mr. Michael Prue: —and how would you do that, other than I guess applying and taking other accredited courses to move—

Ms. Andrea Prieur: They'd have to go back to school. Some of ours look at the option of going into teaching. They're so totally discouraged about the business practice that they move away from the therapy side, and we're losing excellent therapists in Ontario that deal with orthopaedic and neuromuscular injury.

Mr. Michael Prue: Before today, have you had an opportunity especially to speak to government members or to the finance ministry or anybody else about this potential problem?

Ms. Andrea Prieur: Yes. We've had two meetings so far with both sides of the government, and they have been open to listening to what we have to say. This opportunity came up, so we're using it as yet another venue to discuss our dislike.

Mr. Michael Prue: And did they offer any kind of hope? The reason I'm asking that is that both the finance minister and the Premier in question period have stated categorically that there are going to be no further changes made and that they're looking at creating all these jobs, which are mythical. They just seem bound and determined to go, no matter who gets hurt.

Ms. Andrea Prieur: That's basically what we've been told. They have been open to the suggestion of us trying to get in with another group, through the RHPA, which would cause that automatic exemption. But currently we're being flipped back and forth from each government, from the implementation to the process aspect. So we've been given no direct answers.

Mr. Michael Prue: Okay, so the government recognizes this is a difficulty, but they're suggesting that you, I guess, give up your accreditation—

Ms. Andrea Prieur: Yes.

Mr. Michael Prue: —your association, and join someone else.

Ms. Andrea Prieur: Right now that's the only answer.

Mr. Michael Prue: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation.

PROVINCIAL BUILDING AND CONSTRUCTION TRADES COUNCIL OF ONTARIO

The Vice-Chair (Mrs. Laura Albanese): I'm advised that our 11:15 presenters are already here in the room, and I believe that the 11 o'clock one is not. So I would then ask the Provincial Building and Construction Trades Council of Ontario to please come forward. Good morning and welcome to our committee. Please state your name before you begin your presentation.

Mr. Michael Prue: Vice-Chair, the to-be-confirmed—

The Clerk pro tem (Mr. William Short): That's an empty spot.

Mr. Michael Prue: A cancellation?

The Vice-Chair (Mrs. Laura Albanese): Yes, that was—

Mr. Michael Prue: Okay.

The Vice-Chair (Mrs. Laura Albanese): It is an empty spot.

So, again, you may begin your presentation at any time. Thank you.

Mr. Patrick Dillon: Good morning. I'm Patrick Dillon, a business manager of the Provincial Building and Construction Trades Council of Ontario. With me is John O'Grady, from Prism Economics and Analysis.

Our council has 13 international unions affiliated. We have 65 training centres throughout the province. The Ontario Construction Secretariat estimates the training system investment to be $191 million, and we do thousands and thousands of hours of training of apprentices and journeymen at those training centres.

The purpose of the submission today: First, we want to convey the general support of the Provincial Building and Construction Trades Council of Ontario for the introduction of the harmonized sales tax and to set out our reasons for that position. Second, we want to remind the committee of the need to take account of the negative distributional effects of the HST. While these should not be exaggerated, they are real and they require consideration. Third, we want to address a serious weakness in the proposed implementation of the HST with respect to residential construction.

The building trades are strong supporters of our public sector and the services and support that it provides to both working people and to those who are in need of our support. We believe in high-quality, accessible and universal health care. We believe in high-quality public education and in high-quality and accessible post-secondary education. We believe in providing support to those who are in need. We believe in the importance of renewing and strengthening our province's physical infrastructure. Lastly, and this point is critical, we believe in the central importance of governments having a fiscal strategy that properly funds our public sector and the work that it does.

We do not want to go down the American path where governments are in chronic deficit, the public debt and the costs of serving that debt mount, and the public sector, as a consequence, is starved of resources. We understand how they do things in the United States and we don't really want to be part of it. We want to see a strong and vital public sector, and that means a public sector that is properly and soundly financed.

We understand that the HST will not be revenue neutral. We understand that the HST is not simply a replacement for the retail sales tax. The HST will increase the revenues of the provincial government. The HST will also structure those revenues so that they increase in line with overall economic growth.

We believe that the projected deficit of $24.7 billion is manageable, but only if steps are taken to strengthen the revenue side of the fiscal equation. Servicing the provincial debt currently takes about 9.2% of provincial revenues. Under any plausible scenario, deficits will be with us for the next few years, and therefore the provincial debt will increase. Consequently, there is a very real risk that the share of revenues that must be devoted to debt servicing will also increase. If the costs of debt servicing were to increase significantly, then the province's capacity to support its public sector commitments would be jeopardized. That would mean cuts in health care, education, social programs and infrastructure renewal.

The members of the Provincial Building and Construction Trades Council of Ontario believe that it is essential to protect the public sector. Consequently, we believe it is important for the revenue side of the government to be in sync with its commitments to improved health care, public sector education, sustainable social programs and significant infrastructure renewal.

When our council looks at the structure of the provincial government's revenues, we do not see a realistic alternative to the HST. A modern, progressive welfare state or social democratic state needs to be financed by a diverse range of tax instruments. It cannot rely on a narrow range of tax instruments. The current retail sales tax applies only to goods and to a handful of services. And of course it does not apply to food. For many years now, the economic trend has been to increase the service share of the economy and to reduce the goods share. It is time for the sales tax to catch up with that change.

For the vast majority of citizens, probably about 60% to 65%, there is no substantive difference between an income tax and a sales tax in terms of the distributional consequences. For the bottom 20% to 30%, however, there is a difference. Without offsets, the bottom 20% to 30% could pay more as a result of the harmonized sales

tax than if the same revenues were to have been raised through the income tax system. The offset rebates are therefore very critical.

We believe it is important that this committee look at the distributional effects of the harmonized sales tax with a view to ensuring that the tax credits that are delivered through the income tax system neutralize the adverse distributional effects.

In addition to strengthening the revenue position of the provincial government, the harmonized sales tax is also good tax policy when compared with the current retail sales tax. The retail sales tax is embedded into the cost of commercial and industrial structures and capital equipment. The harmonized sales tax is not. Changing from the retail sales tax to the harmonized sales tax reduces the cost of investing in commercial and industrial structures and in capital equipment. That is an important consideration. Committee members are no doubt aware of the economic study done by Jack Mintz which documents the job-creating impact of this change.

1040

I also wish to put on the record the strong opposition of the Provincial Building and Construction Trades Council of Ontario to the slash-and-burn alternative that may be attractive to some members of this committee. There is, of course, an alternative way to get control of the physical situation—an approach that does not require strengthening the revenue position of the provincial government—and that is to push through wholesale cuts in the public sector, probably accompanied by legislated controls on public sector wages and salaries. We absolutely reject that alternative.

I now want to comment on the HST and the residential construction sector. The current economic context is important. The residential construction industry has been very severely affected in this recession. In the greater Toronto area, for example, housing starts on a year-to-date basis are down by 42.2%, according to CMHC. We are counting on a turn-around in residential construction to give momentum to Ontario's so far quite feeble economic recovery.

The rule of thumb for residential construction is that building materials account for about 25% of construction costs. The transitional measures for the proposed HST include a rebate structure that effectively keeps the tax rate the same for properties costing $400,000. The problem is that in the greater Toronto area, according to CMHC, the average selling price of a newly constructed single-detached house is significantly more than $400,000. According to CMHC, the average newly constructed single-detached house sold for $608,496 as of October this year. The embedded retail sales tax portion of that cost was around $12,000; however, the HST that would be payable would be $24,680. This is an increase of $12,510. On top of this, the new house purchaser will also have to pay HST on legal services, inspection services, mortgage insurance and, of course, on many of the other purchases that normally accompany investing in a new home.

In our view, the residential construction sector is too weak at this time to sustain tax increases of this order of magnitude. We recognize that the intent of the transitional measures is to reduce the impact of the HST on new residential construction. However, those transitional measures do not go far enough. We urge this committee to recommend to the government that it double the threshold for rebates from $400,000 to $800,000. This would ensure that the effective tax rate will not increase for any newly constructed housing unit under $800,000. As the economy improves and the residential construction industry strengthens, this threshold could be reduced. At this time, the last thing that residential construction needs is a major tax increase.

Conclusion: First, the Provincial Building and Construction Trades Council of Ontario supports the introduction of the HST as a necessary means of strengthening provincial revenues, protecting the public sector and creating some much-needed jobs.

Second, the Provincial Building and Construction Trades Council of Ontario urges the committee to pay close attention to the distributional effects of the HST and to ensure that necessary offsets are in place to protect the bottom 20% to 30% of our province.

Third, the Provincial Building and Construction Trades Council of Ontario is deeply troubled that, as currently designed, the HST will have a serious impact on the residential construction industry, and that this impact could further weaken Ontario's already weak recovery. We urge this committee to double the threshold in the transitional measures, such that new housing units under $800,000—

The Vice-Chair (Mrs. Laura Albanese): I'm sorry. The time has expired. I'm going to have to interrupt you.

Mr. Patrick Dillon: All right.

The Vice-Chair (Mrs. Laura Albanese): Sorry about that. I will now turn it over to the government side for five minutes of questioning. Mr. Hoskins.

Mr. Eric Hoskins: Thank you, Mr. Dillon, for your presentation today. I think it's very much appreciated by all parties here that you and your colleague have taken the time to appear before this committee on this very important issue. I want to add that your industry in particular is not only an important one, but it will be vital in the months and years ahead in helping this province emerge from the current recession and its impact on the economy and the citizens and families of Ontario, and it will be extremely important in helping us further strengthen the economy as we emerge.

I also want to express the government's appreciation for your clear indication of your industry's general support for the HST and the other tax measures that are being put in place. Perhaps I should also use this opportunity to say—I've sort of been taking notes—that you're the 12th presenter so far this morning, and of the 12, I would say a clear majority have expressed their general support for the HST and the tax reform measures. Certainly some have indicated—

Ms. Lisa MacLeod: Point of order: That is completely inaccurate.

The Vice-Chair (Mrs. Laura Albanese): It's not a valid point of order. Please continue.

Mr. Eric Hoskins: Certainly, some have expressed concerns about how elements of the HST and the tax reform will be applied to their specific profession or industry, but the general support has been clear.

You spent some time talking about the distributional effects of the HST, and I think you were very appropriately expressing your concern and that of your associates for the most vulnerable members of society here in Ontario. You remind the government—I think you reminded all of us—that its important, as we move forward with these economic measures, that we take steps to ensure we protect the most vulnerable, but you don't go into specifics about some of those protective measures.

I think you refer to tax credits, and by tax credits, I assume you're referring to such items as the permanent decrease in income tax that 93% of Ontario families will be paying beginning January 1 of next year; the increase in the property tax credit that will be made available, which again affects those on low or fixed incomes most; the new sales tax credit, which will benefit those who are most vulnerable; and the increase in the child tax benefit. Along with other tax measures, am I correct that those are the sorts of measures you are looking to make sure this government puts in place?

Mr. Patrick Dillon: I'll turn to Mr. O'Grady to comment on that.

Mr. John O'Grady: Those would certainly be the broad types of measures we're focused on with respect to offsetting the negative distributional effects of the harmonized sales tax, and we have to recognize that there are some negative distributional effects that are implicit in that kind of tax instrument. Probably the most effective mechanisms for offsetting those negative distributional effects are tax credits that are directly associated with income.

Mr. Eric Hoskins: My other question would be that Jack Mintz has suggested that approximately 600,000 new jobs will be created in Ontario in the next 10 years as a result of these tax measures that we're talking about. Do you believe that that change and that increase in new jobs would be beneficial to your industry?

Mr. Patrick Dillon: We would have to say yes. We think that the numbers might be optimistic, but we hope they're accurate. It would have a very positive impact on the construction industry and, I think, on the whole economy of the province of Ontario if those numbers are anywhere accurate at all.

Mr. Eric Hoskins: Thank you very much for your time today.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation and for coming down this morning.

KATHERINE WEBSTER

The Vice-Chair (Mrs. Laura Albanese): I would now call Katherine Webster.

Mr. Wayne Arthurs: Would it be reasonable, given that we are about 10 or 15 minutes ahead of our scheduled time, to take a short recess and reconvene at 11?

Mr. Michael Prue: I would think that if the next one wasn't here, that would be appropriate.

Mr. Wayne Arthurs: Fine. I was just suggesting that if we have a bit of a window, maybe a 10-minute break, but I'm happy to hear the deputation.

The Vice-Chair (Mrs. Laura Albanese): We'll hear this deputation, and then we'll see.

I would ask Ms. Katherine Webster from the Tim Hortons franchise to come forward. Could you restate your name for the purposes of Hansard? You will have up to 10 minutes for your presentation.

1050

Ms. Katherine Webster: Thank you. My name is Katherine Webster, and I'm a Tim Hortons franchisee. Madam Chair, members of the committee, thank you very much for allowing me the time today to see you.

My husband and I have been franchisee operators in Vaughan for just under 10 years. This is the second time I've appeared before a government committee to speak on the subject of harmonization of the provincial and federal sales taxes. When I was here in May, I brought another Tim Hortons franchisee with me, and we spoke about the impact that an 8% increase on meals under $4 would have on our customers and on our business.

Since the announcement of the government's plans to harmonize the taxes, Tim Hortons, restaurant trade associations and other quick-service restaurant companies have worked together with the government to find a way to keep the exemption on low-cost meals. Recently, the Minister of Finance announced the exemption would continue, and I'm here to speak in support of that decision and explain why it is important to consumers and franchisees like myself in Ontario.

As long as I've been in business, Ontario has recognized that low-cost meals and restaurants should be treated the same as food purchased in grocery stores for taxation purposes. The era of the stay-at-home mom making breakfast each morning, preparing lunches, having a meal on the table at 6 p.m. ended a long time ago for most families in Ontario. With less than a quarter of Canadian families eating a home-cooked, made-from-scratch meal each day, Ontario families are now on the move, and we are including grab-and-go meals in our daily routine.

In recognition of the changing lifestyle, my business changed as well. We've responded by providing good-quality meals at affordable prices, and we've increased our nutritional options for families and for customers in general. So it's not just about offering that quick snack like we used to do on the way to and from a destination. We're providing meals at all times of the day, morning through night.

If you take the example of our morning customers, they're not just your average commuters getting breakfast and a coffee. They're mothers and fathers taking their

kids to school. As a former schoolteacher, I know the importance of having a child ready to learn, and that's a big breakfast, that's a full breakfast. Sometimes that's not possible. Having them ready and out the door is sometimes all you can manage. So grabbing that carton of milk and a wholegrain bagel or a yogurt is the best substitute that we can offer.

I can tell you with absolute certainty that the prospect of that 8% increase on people's morning coffees, their child's meal, that quick dinner on the way home from work or on the way to their kid's hockey game posed a great deal of concern for our customers, and in some cases, anger.

As Tim Hortons operators, my husband and I are very hands-on in our stores. We're there every day. We know our customers, we get to know them very well, and we watch them. They are counting their nickels and dimes. This exemption is very important to them. The average bill in my store is between $2.75 and $3.50, and so maintaining that meal exemption means that my customers are going to keep that 25 cents in their pocket that they would otherwise have spent per visit. For people watching their pennies every day, the prospect of a quarter on every meal was not going over very well, specifically for people on low and fixed incomes.

About two blocks away, I actually have two seniors' homes. I also have two high schools and two public schools. The seniors, in particular, are customers on a regular basis. I'm sure you are well aware that sometimes the destination is what matters to the senior community. They need to get out, they need to get some exercise, and our store is a destination where they meet with their friends. To have them talk with us and express to us a concern that the exemption was going to go—because that quarter matters; they watch those pennies. So, on the whole, our customers understand that it's them, it's consumers, not corporations, who pay that tax, and they were faced with an increase at a time when they could least afford it.

Harmonization, if it proceeded as originally planned, would have had a significant impact on my business as well. I anticipated a loss, and I could only base that on what my fellow franchisees told me about the drop in sales in 1991 with the introduction of the GST. So we could reasonably anticipate that sort of a response if there was no $4 exemption.

But those losses would not have been recuperated by business people in my community, or in my business, because most of my costs are food and labour, which are not covered by PST. I might have saved some money on cleaning supplies or on office supplies, but really not very much. So continuing the exemption means that that drop in sales is less likely, and, in turn, it's going to help me maintain the current employment standards that I have in my store. This is obviously very important to the people we employ, as well as to young people and students who often get their start in the workforce in my industry.

The decision to continue the $4 exemption—the under $4 meals—is going to maintain the status quo we've had between low-cost restaurants and grocery stores, and more expensive restaurants. It's not giving any kind of specific advantage to small, independent restaurants or quick-service chains like mine. It's ensuring that customers have access to healthy, nutritional food at lower cost; it means that seniors who already come to our store can continue to do so; and it means that our community, our students and our new Canadians can continue to be assured of employment. The decision to maintain the historic $4 exemption is the right thing to do for our customers and for our business.

On behalf of Tim Hortons customers in Vaughan, and on behalf of my fellow franchisees, I thank you very much for listening to me, and I thank the government for continuing this 50-year tradition of exemption.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now turn to Ms. MacLeod for questioning.

Ms. Lisa MacLeod: Welcome to Queen's Park; I appreciate your coming. I'm very happy that you received an exemption. One of the concerns the official opposition had was meals under $4, and we were able to fight that and ultimately win on those grounds.

While you're here, I have a good relationship with my local Tim Hortons: Bill Houldsworth and his wife are great community leaders.

I think I'm going to speak more to the Tim Hortons brand than maybe to the meals under $4. Regardless of what community you live in, in this nation, Tim Hortons is known for a couple of things. Of course we all know the morning double-double for many people, or for me, my double chai, but you're also known for promoting kids' hockey, Timbits hockey. You're also known—probably best known in philanthropy—for your kids' camps. Each year, I get to do the celebrity pouring, and I mess up every double-double coming my way—it's really not a double-double; it's a quadruple-quadruple.

You need to realize one thing: As much as meals under $4 are going to be exempt, kids' sports are going to increase, and that means ice hockey fees are going to go up—I was able to be with some Timbits yesterday through the Nepean Raiders while we were doing a photo op with the local city councillor.

Kids' camps: We've already heard from the Ontario Camps Association, who said that camp enrolment will likely go down because it's going to become more unaffordable because of the registration, and there may be jobs lost as a result of that.

I'm wondering if you've given any thought at all, as a franchise owner, to what impact the HST will have on organizations you support. Will you, for example, be increasing the amount of money your store gives to these various sports and camp organizations?

Ms. Katherine Webster: I have to say that we've got a great group of people behind us who organize this, and I trust them implicitly. My focus through all this was my customers. It was seeing what they were concerned about and bringing that message here. For them, at the store level, it was $4—it was that. As much as those are very

valid issues, they're not issues I have spent any time on recently. I have to defer to my corporate office and to the camp offices to make those decisions.

Ms. Lisa MacLeod: So there's been no sort of impact analysis?

Ms. Katherine Webster: Not that I know of.

Ms. Lisa MacLeod: Okay. My colleague from Parry Sound–Muskoka also has some quick questions.

Mr. Norm Miller: I too am a regular user of Tim Hortons.

Ms. Katherine Webster: User?

Mr. Norm Miller: Yes, I admit. Where do I sign up for treatment?

I guess one of the concerns I have is that you mentioned that people are counting their nickels and dimes and that this is also a shift to consumers in terms of taxing more things, and you're happy about getting the $4 exemption. I guess my question would be: Are you concerned that people won't have any money left because they're going to be paying the 8% on so many things, like heating oil, electricity and gas for their cars? They may save it on under-$4 meals, but they may have used the money on all the other things that are taxed by the law.

Ms. Katherine Webster: Again, you're talking to someone who has had some pretty strong tunnel vision in the last few months focusing on this issue. The broader issues are aspects that I just can't speak to in my capacity as a franchisee. I can only really focus on this aspect, on the $4-meal exemption and supporting our customers in that particular way.

Mr. Norm Miller: My other question would be: So the meals under $4 are fine, but what percentage of your sales would be more than $4, so the tax would apply?

Ms. Katherine Webster: I haven't done those numbers. With the average ticket being below $4, I know that the vast majority of our customers would have been affected if we'd lost that exemption. Over that amount—I can't tell you. That amount is pretty much chain-wide or at least certainly in Ontario. It's across the board at that level.

Mr. Norm Miller: Okay, thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

We'll be recessing until 11:25. Thank you.

The committee recessed from 1100 to 1125.

YMCA ONTARIO

The Vice-Chair (Mrs. Laura Albanese): Our recess is over and we'll move forward right away to hear our next presenter, from YMCA Ontario. Please come forward and take a seat. I'll go through the protocol again. You'll have 10 minutes for your presentation. After that, we will have five minutes of questioning. The parties are going in rotation; therefore, the next one will be the NDP. You may state your name, please, for the purposes of recording Hansard, and you may start.

Mr. Rob Armstrong: It's Rob Armstrong.

The Vice-Chair (Mrs. Laura Albanese): Thank you. You may start now.

Mr. Rob Armstrong: First, I'd like to thank the committee here for inviting us and having an opportunity to speak on this topic. As I said earlier, my name is Rob Armstrong, and I'm the senior vice-president of YMCA Ontario.

When this particular topic came up, we in the area of recreation had a lot of interest in it, and we actually formed a bit of a coalition. So I am here not only representing the YMCA, but the information that we're going to be sharing with you is supported through Parks and Recreation Ontario, the Ontario Recreation Facilities Association, Sport4Ontario and the Sport Alliance of Ontario.

Getting active is an integral part of the daily life of Ontarians and is a major contributor to Ontario's economy. An estimated $4 billion is spent annually on goods and services related to sport, recreation and physical activity. There are 7,500 incorporated sport and recreation organizations in Ontario and many more grassroots, unincorporated groups. More than 2.3 million Ontarians participate in sport and recreation activities, which are supported by over one million volunteers.

There are many reasons for modernizing our tax system, and we understand the enormity of this task. We also acknowledge that the government has stated there will be no more exemptions from the HST. However, the YMCAs of Ontario urge you to reconsider, as we could miss a unique opportunity, in our minds, to lay the groundwork for a healthier Ontario. The government has a chance to make decisions that will have a lasting effect on the health of our society, and we should not let that pass.

Before I go into that, I'd just like to give you a little bit more of a profile about the YMCAs in Ontario. There are 24 legally incorporated bodies in Ontario. We represent and work in over 125 communities, and we work with over 1.2 million people in Ontario. Some 550,000 of those are members in the area of health, fitness and recreation, and 187,000 are teens or young adults.

I think we all know that it takes more than physical activity to be healthy. It depends on a variety of determinants of health, including where you live, the food you can afford to buy, the strength of your social support networks and your employment status. But we also know that participating in sport and recreation goes a long way in positively affecting those very same things. Simply put, the economic, health and social impact of participation in sport and recreation is too big to ignore.

1130

It is estimated that physical inactivity costs the Canadian health care system $5.3 billion a year—about 5% of your total health care budget. The Ontario government's own plan for healthy eating and active living argues that obesity alone costs Ontario about $1.6 billion. Just last week, the Fraser Institute released a study claiming that Ontario's health care expenditures are growing at a faster pace than revenues and that by 2014 Ontario will be spending half of all available revenue on health care.

There is another option, one that I think you have already identified, and that is prevention. We believe your Ministry of Health Promotion actually works in that particular area, and we're very proud to be working with them. Your own Ontario plan for healthy eating and active living argues that a healthier population could save billions of dollars every year in health care costs. The strategy cites research findings that 90% of type 2 diabetes and 80% of coronary heart disease could all be avoided if we were just a little bit healthier. The ministry also promotes the statistic that physical activity, diet and maintenance of appropriate body weight can prevent between 30% and 40% of all cases of cancer.

So if the government could noticeably reduce health care costs by encouraging Ontarians to get active, why include recreation fees in the HST? Under the new HST rules, teen and adult recreation memberships and program fees will become subject to the full HST. Currently, these fees are charged at 5% GST. When we go to the HST, we actually will be increasing those fees by another 8%.

The benefits of recreation are well-defined. Dr. Gina Browne did some research in the Hamilton-Burlington area with the YMCA and came up with two very impressive findings: The use of social assistance decreased with the use of child care and recreation services by 15%—15% of people actually exited social assistance within a year—and the use of recreation services paid for itself through reduced costs of probation, child psychiatry, child psychology and social work.

In 2008, the YMCAs and YMCA-YWCAs saw almost 550,000 Ontarians participate in health, fitness and recreation; 187,000 of them, as I said before, are between the ages of 14 and 29—the demographic most certainly to be affected by this increase in tax. In 2008, 31,266 of these teens and young adults were actually financially supported by the YMCA, because they could not afford the cost of memberships. Certainly that group is going to be affected by this particular tax, and we feel that we will have to be supporting even more people with the increased cost of 8%.

The YMCAs in Ontario note the government's proposed income tax reductions and the new and enhanced tax credits to soften the impact of the HST, but the reality is that these rebates aren't going to be top of mind for most people as they look at their monthly budget. If faced with a choice between life's essentials, must-haves or most likely to like, we know that people are not going to be choosing recreation, particularly when they have to pay that cost upfront in the form of a tax.

Our first recommendation would be an exemption from HST for sport and recreation programs and memberships in order to ensure that all Ontarians receive the health and social benefits of participation.

I'd like to move on into the area of the age exemption with the children's tax. In the charitable sector, the current age exemption for GST/HST for sport and recreation programs is 14 years and under. The coalition that we are members of proposes that the age exemption be aligned with the federal children's fitness tax credit, which is applicable for children aged 15 years and younger. While this one year may seem insignificant, research shows that this is a crucial time for keeping teens engaged as participation rates continue to drop. We know that time frame between about 12 to 18 years of age is critical, and we feel that change in age, moving it from 14 to 15, would be very positive in continuing to keep that age group encouraged and involved.

The Vice-Chair (Mrs. Laura Albanese): I would just like to remind you that we have about two minutes left for the presentation.

Mr. Rob Armstrong: Thank you very much.

The third recommendation we have is in the area of injury prevention. Your current injury prevention strategy was implemented in 2007. The current proposal around HST really is talking about applying full HST to all of the safety- and health-related equipment. Our recommendation there would be to allow an exemption on the HST on all safety equipment for sports and recreation to ensure that children and youth have better access to safety gear and have a decreased risk of preventable injury.

Our fourth and last recommendation is around overnight summer camps. Currently, we pay tax on what would be called the overnight portion of camping—so the food and the accommodation. That translates to about a $40-a-week difference if we want to charge the HST on everything. Camping, if you've ever been involved in camping, is among the most profound peace that kids can enjoy—and impactful. We would like to recommend that you do not add the HST—that it not be applied to the accommodation portion of overnight summer camps—so that youth can have a safe, fun and developmentally appropriate experience.

Those are four recommendations that we bring forward. They're all centred around what we believe is an alignment between the current health policy here in Ontario and your tax policy. We believe that it's almost counterintuitive to want to tax particularly children when we're trying to encourage them, on the other hand, to be active.

I'm open for questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will turn it to Mr. Prue of the NDP caucus for five minutes of questioning.

Mr. Michael Prue: Thank you very much. You've made a good presentation here.

In terms of sports and recreation programs, what do you anticipate would be the dropout rate by adding an extra 8% onto these programs?

Mr. Rob Armstrong: That's a very good question. We know that access to recreation is the biggest barrier we have, and that access translates in a lot of different ways. It can be physical access. It can be the inability to get there. But price is the number one reason why people cannot be involved. I don't have a number on the actual percentage that it would go up. But as I said, in camps, or in our world, in membership, you're looking at about a

$70-a-year increase. But I don't really know the answer in terms of what kind of drop-off we'd have.

Mr. Michael Prue: It certainly won't increase the rate if we add 8%.

Mr. Rob Armstrong: No, I don't think that—that would be a fair answer. It will not increase the rates.

Mr. Michael Prue: Now, I'm worried about the campgrounds and camping. We had the Ontario Camping Association—I think that was their name—here yesterday. They talked about the number of camps that would be forced to close and, if not close, how the number of primarily students who get summer jobs there will decrease because the price point will not be competitive with camps in other jurisdictions, be that Quebec, Manitoba or the United States. Do you anticipate that the number of kids going to camp will decline—I mean, I think you've said as much—and if so, by how much?

Mr. Rob Armstrong: We do believe that it will decline. In our world, I guess I'd say what would really happen is that the request for subsidization would go up. We would try and make sure that all the kids get to go to camp, but we'd have to come up with the money to try and subsidize them. That, again, would put a lot of stress on our system.

In our world, I don't believe that we in the Y believe that we would end up closing any camps, but we anticipate probably about a 10% difference between our subsidy rates and our full-fee members. So our subsidy would go up by about 10%, if we can afford to do it.

Mr. Michael Prue: I just saw last week that the Girl Guides of Ontario were being forced to sell camps, which I'm sure they never thought they would be forced to sell as well, because of the costs and the participation rate. Is this a very real fear in the future, or a possibility in the future, that if the participation does not continue or if the subsidy is not available, there will be no alternative? Because I'm worried about the long term.

Mr. Rob Armstrong: Well, I think the Girl Guides is a really good example. It doesn't take a very big drop in percentage occupancy before you end up in trouble. Camps, as you can appreciate, are very capital-intensive. You've got cabins and dining halls. You've got many, many camps that are very old. We've been working on a number of our camps where you've got a septic system built in 1925. We have to replace those things. So the capital costs are very high. Health-and-safety-wise, you can't have a camp that's not operating efficiently. So there's a lot of cost, and I believe our break-even in camp is about 77% occupancy. Anything below that, we start losing money.

Mr. Michael Prue: The YMCA, like many charitable organizations, is having a hard time raising funds. I just read last week again how the United Way is having a hard time raising funds because of a combination of factors, but mostly the recession. Is the YMCA having that kind of problem, and if so, how is this going to affect the subsidy—

The Vice-Chair (Mrs. Laura Albanese): Fifty seconds left.

Mr. Michael Prue: —especially with the 8% tacked on?

Mr. Rob Armstrong: We would have what we would call a fundraising deficit. In Ontario, we give away about $8.5 million worth of memberships, camperships and that kind of thing. I think we raise about half of that. I'm sure you all know it's a very competitive world out there right now in terms of fundraising. Eight per cent will be a stretch for us. I think the reality is, some kids just won't go to camp. It's as simple as that.

Mr. Michael Prue: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

We will take a very brief recess until our 11:45 presenter gets here. Thank you.

The committee recessed from 1141 to 1145.

INSTITUTE FOR COMPETITIVENESS AND PROSPERITY

The Vice-Chair (Mrs. Laura Albanese): We will reconvene. The 12 o'clock presenter is here. We will call the Institute for Competitiveness and Prosperity to come forward. Thank you. Welcome, and please state your name. You'll have up to 10 minutes for your presentation.

Mr. Jim Milway: Great. My name is Jim Milway. I've got a prepared statement that I think you should have copies of. Thank you very much for the opportunity to meet with you today.

The Institute for Competitiveness and Prosperity is an independent organization established in 2001 to support the Task Force on Competitiveness, Productivity and Economic Progress. Our mandate, as announced in the 2001 Ontario speech from the throne, is to measure and monitor Ontario's competitiveness, productivity and economic progress compared to other provinces and US states, and to report our findings to the public on a regular basis. The task force and the institute are chaired by Roger Martin, dean of the Joseph L. Rotman School of Management at the University of Toronto.

Last March, the Ontario government introduced bold tax reforms that will benefit all the province's citizens. The reform package has several elements. It replaces the province's antiquated retail sales tax with a value-added tax harmonized with the federal goods and services tax. It reduces corporate income taxes. It eliminates capital taxes on business assets. It reduces personal income tax rates. Taken together, these reforms will make Ontario one of the most favourable places in the world for new business investment—and it's currently one of the worst.

The most contentious part of the package is the harmonized sales tax. HST critics are recalling the imposition of the unpopular federal GST, but focusing on this part without considering the whole package isn't very useful. It's like complaining that your auto shop removed the regular tires from your car without acknowledging that they put on snow tires to improve your safety.

With the proposed HST, businesses would no longer pay sales taxes on goods they purchase. They currently pay the provincial sales tax and pass the cost on to us. The elimination of the sales tax paid by business will lower the cost of business investment, which means more high-paying jobs in Ontario.

Apart from ignoring the complete package of reforms, critics have been passing along some myths about the HST that need to be dispelled or clarified. These myths?

First is that the HST will increase prices paid by consumers. Now, for goods such as furniture and appliances, consumers already pay provincial sales tax and federal GST. The HST will not change that, but manufacturers, wholesalers and retailers will see their costs go down as they will no longer be paying the provincial sales tax. Competition will force them to pass these lower costs on to consumers. So prices on goods where the provincial sales tax is assessed will fall. That's exactly what happened in Quebec and Atlantic Canada when they harmonized their provincial sales tax with the GST.

1150

For services that currently don't attract the provincial sales tax, such as haircuts or legal fees, prices paid by consumers will increase, but not by the full 8% tax rate. This is because service providers will see their costs drop since they will no longer be paying provincial sales tax on the items they purchase. A study by TD Economics estimates that the impact on the final prices paid by Ontarians will be an increase of 0.7%. In Quebec and Atlantic Canada, the net effect on prices was, in fact, a decrease of 0.3%.

Another myth: The HST is an excuse for producers and service providers to gouge consumers. The experience in Quebec and Atlantic Canada was that market forces pressured producers and retailers to pass on their savings to consumers.

Another myth: The HST raises costs for small business. The cost for small business—indeed for all businesses—will decrease because they will no longer have to pay provincial sales tax on goods they purchase to operate. While the current provincial sales tax is called a retail sales tax, about a third of it is paid by businesses making investments or purchasing goods required for their businesses. In addition, harmonization with the federal GST will significantly reduce small businesses' administrative costs.

The next myth is that the HST hurts lower-income Ontarians. If the provincial government were only introducing the HST, this might be true, but remember that the tax reform package provides for sales tax credits aimed at lower-income Ontarians, similar to the current GST tax credits. In addition, personal income tax reductions that are part of the reform package will help lower-income Ontarians.

Another myth: The HST is just a tax grab. Again, that would be true if the only tax change announced by the government was the introduction of the HST, but it's part of a package of reforms that actually reduces the province's tax take. Along with the introduction of the HST, the province is reducing personal and corporate income taxes and providing tax credits to help compensate for the higher sales tax paid by lower-income Ontarians.

The HST is just "business-friendly." Actually, the HST is Ontario-friendly. A recent study by international tax expert Jack Mintz estimates that the tax reforms announced by the government will boost business investment by $47 billion. In turn, this expansion will create an estimated 591,000 new jobs. These investments and jobs will lead to a combined increase in labour and investment income of $29 billion, about 8.8% of 2008 labour income.

Then, finally, the myth we hear is that the HST should be delayed until the recovery is under way. Even if this were a good argument, we won't know when the recession is over until we're well into the recovery. Even if the recovery is well down the road, we argue that this is the perfect time to increase businesses motivation to invest and create jobs.

In conclusion, the provincial government is proposing bold tax reform. Part of it is politically unpopular, but the package will improve Ontario's global competitiveness and benefit us all through more investment, more jobs and higher incomes. If we want to improve economic prospects for us and our children, we should implement these proposals. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now turn it over to the government side. Mr. Naqvi.

Mr. Yasir Naqvi: Thank you, Mr. Milway, for your very succinct and compelling presentation. Given that you represent the Institute for Competitiveness and Prosperity, and a lot of the discussion around making these reform changes is around making Ontario more competitive, can you articulate, in your view, how harmonizing the GST and the PST makes Ontario more competitive?

Mr. Jim Milway: Sure. One of the challenges that we have here in Ontario is that our businesses don't invest as much as their counterparts in the US states in information and communications technologies—things that make our workers more productive, things that raise our incomes. One of the reasons that that is the case is that businesses currently pay very high taxes whenever they invest a dollar. A big part of that was the fact that they're paying provincial sales tax on the goods they purchase for investment. So whenever a company was looking to make an investment, it had to recoup the 8% provincial sales tax. It also had very high corporate tax rates relative to other OECD countries. It also had the capital tax, which thankfully is coming off. When you add those things up, we were punishing our businesses when they were making investments that would make our workers more productive, which in turn would reduce the number of high-paying jobs and reduce wages. So the tax structure we have in place is not making Ontario competitive, and these changes, we think, will turn us from one of the worst jurisdictions in the OECD to one of the best.

Mr. Yasir Naqvi: So the result of that is that businesses were probably more inclined to take their business

somewhere else rather than to invest in Ontario, because other jurisdictions are probably more competitive, and to create jobs somewhere else?

Mr. Jim Milway: That, and they are also just not going to make investments. They'll just sit on their dividends or dividend things out and not look for aggressive growth, because it's just too expensive from the taxes.

Mr. Yasir Naqvi: My understanding as well is that right now, when we look at the application of the retail sales tax—or, as we call it, the provincial sales tax, PST—which is pretty much applied on 83% of our consumer spending, it acts both as a manufacturing tax and a consumption tax. So there's sort of a double impact of that tax.

Mr. Jim Milway: Right. It's called cascading. So a manufacturer currently will buy inputs and pay the provincial sales tax. The manufacturer needs to make a markup on those costs, and also the retailer, the distributor, the truck company, who are all paying provincial sales taxes along the way. Those things add up on each other, and there's a significant amount of taxes paid by consumers that started way back up the food chain, as it were. So it's a tax, as you say, on the manufacturers as well as on the consumer.

What's interesting is that through the years, governments, I think of both stripes—probably all three stripes—have recognized that provincial sales tax being paid by manufacturers is not a good thing. That's why there are many exemptions in place for manufacturers where they can get a rebate on the provincial sales tax, because politicians and public servants have recognized that we're just shooting ourselves in the foot when we charge provincial sales taxes on manufactured goods. So we've already built in a bunch of exemptions. This simply takes those exemptions everywhere and will make goods cheaper.

Mr. Yasir Naqvi: Making it a value-added tax so there's not that cascading effect.

Mr. Jim Milway: Yes.

Mr. Yasir Naqvi: Can you comment on our competition globally and how sales taxes operate? I'm thinking of countries like China, India and Brazil, the kinds of countries we now typically compete with for, essentially, American consumers. What kind of tax regimes do they have in place?

Mr. Jim Milway: I'd point you more towards the European economies. I think we do compete more with them here in Canada and around the world. Their value-added taxes are very high. A value-added tax, typically, in Sweden is around 20% or 25%.

What's interesting in all of this is that the country that is the significant outlier, almost as bad as us, is the United States. They have a terrible tax system. They have a lot of things going right with their economy over the long term, but the worst thing about that economy is their tax system. So this is a big opportunity for Ontario to have a tax advantage over places like Michigan, Ohio and Indiana, both for manufactured goods and for services. I think it's a win-win.

Mr. Yasir Naqvi: Okay, you—

The Vice-Chair (Mrs. Laura Albanese): You have 15 seconds left.

Mr. Yasir Naqvi: Just 15 seconds? Well, I'll forgo those 15 seconds. Thank you very much, Mr. Milway.

Mr. Jim Milway: A pleasure.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

CARP

The Vice-Chair (Mrs. Laura Albanese): We'll now call the representatives of CARP. Welcome to our committee this morning. If you could please state your name for the purposes of Hansard, you'll have—

Ms. Susan Eng: Thank you. My name is Susan Eng, and I'm vice-president of advocacy for CARP.

The Vice-Chair (Mrs. Laura Albanese): Thank you. You may begin your presentation. You will have up to 10 minutes.

Ms. Susan Eng: Thank you very much. CARP is a national non-profit, non-partisan organization which is committed to advocating for a better quality of life for Canadians as we age. CARP has 350,000 members across the country, of whom over 200,000 reside here in Ontario. We have about 34 chapters across the country, and 21 of them are here in Ontario. There are approximately 14.5 million Canadians who are 45 years of age or older, of whom 5.6 million live here in Ontario, representing in both Canada and Ontario 42% of the population. Some 4.6 million Canadians are over the age of 65, and 1.8 million of them live here in Ontario; 39% of all Canadian seniors live here in Ontario.

1200

These are the citizens whose future prospects have been really seriously affected by the economic downturn. This is also the demographic that is the most socially engaged and politically active; 70% of them vote regularly. In 2004, they cast nearly nine million votes, or 62% of all the votes cast. In Ontario, 3.5 million Ontarians voted.

These are people who grew up through the 1950s, the 1960s and the 1970s. This was a time of great social change and political engagement, and earlier generations sacrificed even more. They all understand the need to serve the common good, and so they buy into the idea that harmonization might be good for the economy. They stand ready to do their part again as well. But they are also a very well informed and educated group, as well as being politically engaged, and we test their opinions in a biweekly newsletter called CARP ActionOnline which has 75,000 opt-in subscribers. We regularly get 3,000 to 5,000 people responding to our survey questions, so we have a fairly good finger on their pulse.

We, of course, asked their opinion on the HST. Over 5,800 responded to the poll we sent out on November 20, and their response was very clear: The vast majority of them disapprove of the HST in Ontario; 86% disapprove, and 65% very strongly disapprove of the HST.

This is not because they don't understand the details. We've heard before that people are confused by the issues, that maybe they don't understand what the impact is, what the benefits are. That's not accurate. In our previous polls, 69% read the material and realized that the rebates and credits would not in fact be enough. Of course, the government itself readily admits that they are depending on the pass-through. A full 86% of our members do not believe that business will pass on their savings; they don't believe it. It might happen; they just don't believe it, and that often drives how they vote. Some 60% thought it would not be good for the economy overall. The trend lines show that the government's message is not getting through. The opposition increased to 73% in September, and now the opposition to HST among our members is overwhelming.

The recently announced exemptions for fast food and newspapers met with a 94% rejection.

The material that I've provided to the clerk's office has all of this material in it in the form of the survey as well as some of our editorial. But I think it's important that it not be a big surprise to you that we are getting this kind of reaction. Nobody likes new taxes, of course, but this new consumer tax burden, despite all the rebates and credits that have been offered, hits older Canadians harder and they are least able to deal with this at this time. Many have watched their retirement dreams disappear along with their savings in this economic turmoil. There has been no real action taken by any level of government to start the process of pension reform in order to help them and future generations with the insecurity that they are facing into their retirement years. They watch thousands of Nortel pensioners protesting on Parliament Hill along with their colleagues from CHCH and Abitibi-Bowater, all to no avail, so they think that government is not listening to them.

They understand very well the economic trade-offs that are being proposed, but they also recognize the reality that they will have limited participation in any recovery that will come along, and they see through the political games that are being played out in front of us. While there were bells clanging and no debate, there was a quick-thinking use of parliamentary procedure to extend the amount of public hearing hours, but only because it meant that the Legislature would have to inconvenience itself. That's hardly comforting. Worse, they realize that the fact of an overwhelming majority means that the government could—I'm not saying that they would—ignore the pleas of the members of the public at these hearings and in their constituencies.

Your federal cousins, unfortunately, have not helped you very much; they've done you no favours. They are not debating the merits of harmonization. Instead, they are trying to see whom they can force to outrage more: their political allies or their constituencies. You have to ask yourself, which did they choose?

Throughout all these shenanigans, we have not heard one useful proposal to soften the blow on the people who will be hit by the new consumer tax the most and have the least ability to recover from it.

We surveyed our members about this too, and their position is very clear: A new tax on home heating and energy costs would hurt them the most—65% said this. It's the same group that said that that's the kind of thing they want exempted. For them, the additional tax would mean that they would have to cut back on their heating, just as we're getting into winter. These are the kinds of choices that are being made.

The solutions are also very clear: While most of them just want you to drop harmonization and get back to the status quo, some are even calling for a provincial referendum. They want to have their say. However, there is still strong support for CARP's proposals of a home energy rebate and an HST relief grant. Both of these would be on an income-tested basis for seniors. Such models already exist in the Atlantic provinces when they introduced harmonization. Nova Scotia put in a permanent home heating rebate, and it was not income-tested. In New Brunswick, they had an HST credit.

These are opportunities that the Legislature and the committee here face as you go into clause-by-clause review of Bill 218 to demonstrate that the Legislature, at least, is listening to Ontarians by introducing the kinds of amendments that would actually soften the blow for the people who are going to be hit by this the most and have the least chance to recover.

Thank you very much, and I'd be pleased to take any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now turn it to the official opposition for questioning.

Ms. Lisa MacLeod: Thanks very much, Chair. Welcome, Susan. It's nice to finally see you. I appreciated all the opportunities you provided to all political parties throughout this legislative period to make our points of view known.

I just wanted to quickly point something out, and then I do have a substantive question. You had talked about rebates and exemptions. My colleague from Parry Sound–Muskoka and I did put forward a motion last week to exempt home heating. That was defeated. We are going to try again today, so we are looking at home heating exemptions. You mentioned the Nova Scotia example. Many of my colleagues know that that's where I was born and raised. I remember harmonization coming in then. My sister told me that this year, during the provincial election, people actually had signs on their lawns saying, "Heat or eat"—just hand-made. People can't afford any more taxes—not right now. I just want you to know where we stand on that. We'll continue to pursue it.

You also know that I'm from Ottawa, so not only did I get a copy of your article today, but I also read it in hard copy in the original form in my newspaper. I was quite pleased to see that. I think it made the case, "Is HST Good for Ontario? No." You have a very important point here, and it's one that I've raised in an article that I wrote

for the National Post, which I provided to CARP as well: "Taxation without Representation." You say this: "One of the most important rights we have as citizens is not to have a tax imposed on us without our consent."

When your article ran, there was also an article with a question-and-answer period from another Ottawa-area MPP, Dalton McGuinty, who was hoping he would have the consensus of Ontarians to move forward with this tax. And I thought with great irony how public opinion has shifted so dramatically to being opposed to this tax in this short period of time. Obviously, this interview that he gave clearly had to be outdated, because I look at recent poll numbers from Angus Reid—75% of Ontarians are opposed to it; Holinshed Research Group—78% opposed to it; your poll has 86% opposed to it—whether that's strong opposition or just opposition in general. I'm wondering if you can elaborate on that, given the fact that we haven't had the public hearings that we wanted.

Ms. Susan Eng: You have to understand that I used to be a tax lawyer, so I can't help but go back to those days when I realized that you fight taxes that are imposed on you without your consent; that is, if no one ran an election about imposing this tax—and they did not; and would they, given what they've seen?—then they really don't have a mandate to introduce a new tax, end of point. That's why we have budget lock-ups. I've suffered through those lock-ups. It's so that when you have a tax, it's always forward-going; it's never retroactive.

1210

These are all parliamentary rules, and we all understand and live by them. So why can't the politicians, everybody as a whole, actually make sure that that is their first golden rule? You don't tax people until you've asked for their consent to do so. After the fact and using an overwhelming majority to force it through is not really the right answer. It really is central to the way we govern ourselves. Governments govern with our consent as taxpayers and as citizens, and one of the most important things is that they not harass us with taxes that we didn't agree to.

Telling us it's for our own good is one thing, but frankly, if it doesn't apply to us equally, then there are going to be significant groups of us who say no. At some point, we run out of the ability to keep sacrificing for the common good.

As I've indicated, this is a group of people who are very generous. They're very altruistic. Even their recommendations about what to do about pension reform are actually going to help future generations, not even themselves. They are used to the idea of doing things for the common good.

In this case, it was just one step too far. They were asked to shoulder the burden once again and were told, "This is good for business, and it will be good for the economy eventually," and they weren't going to see it. Then, the coup de grâce was the government telling us that they weren't going to net out any new revenues from this; that it was going to be revenue-neutral; that, in fact, it was not going to help pay down the deficit. What is the common good that they're looking at that they have to pay more taxes for? When you're looking at all of that added together, then you see the legitimacy of that rule in the first place: No taxation without representation.

The Vice-Chair (Mrs. Laura Albanese): I apologize for interrupting. Six seconds.

Ms. Lisa MacLeod: I just wanted to say thank you again. I look forward to working with you as we move forward. Taxation without representation for the next two years I guess we'll have to live with, but we'll look forward to working with you. Thanks so much, Susan.

Ms Susan Eng: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

STITTSVILLE MINOR HOCKEY ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We now have joining us via teleconference the president of the Stittsville Minor Hockey Association. Hello, are you on the line?

Mr. Craig Goodwin: Yes, I am.

The Vice-Chair (Mrs. Laura Albanese): Mr. Goodwin, good morning. Or should I say "good afternoon" at this point?

Mr. Craig Goodwin: Good afternoon, yes.

The Vice-Chair (Mrs. Laura Albanese): You will have about 10 minutes for your presentation. Please state your name for the purposes of Hansard, and you may begin any time.

Mr. Craig Goodwin: My name is Craig Goodwin; I'm the president of the Stittsville Minor Hockey Association. We provide minor hockey for 1,200 youth in the greater Ottawa area.

The reason I'm calling today is because the HST is going to have the effect of increasing the cost of minor hockey for our children, and every child in Ontario, in fact. I don't know how many people are aware of it, but the cost to play minor hockey has increased to the tune of around 50% in the last four to five years, particularly in Ottawa because of the move to a user-pay system. The cost of ice has gone up significantly. We typically faced, over the last four to five years, an increase in our cost base, which for Stittsville makes up 75% of our fees, of around 10% per year. Part of this—in fact, 100% of it—has been due to decisions taken at the municipal level. However, with the introduction of the HST going to apply to our ice rentals, our cost base is going to go up 8%.

Just for your information, the cost to play hockey in our association was around $400 about four to five years ago. Right now, it's $625. Our costs keep going up.

Stittsville is a fairly affluent community. We believe we're the number one growing community in Ottawa. However, our membership has stayed stagnant. As we know, hockey is Canada's sport. I think the reason that it has gone stagnant is because the cost has increased and it

has hit the people and affected the people who can least afford the increase.

Certainly, we don't want to turn Canada's game into a rich man's sport. But it appears that's what it's becoming. We've just gone through some serious increases over the last two to three years, and with another layer of municipal increases and these HST increases this is probably to be our largest increase yet. We're looking at perhaps—if our calculations are correct and our anticipations are correct from the city of Ottawa increases as well—another $100 per year increase. That would certainly push us over the $700 barrier, which I think for a lot of people to play their favourite sport for five to six months is just a little bit unreasonable and probably prevents a lot of new players from signing up.

A little bit of history about Stittsville minor hockey: We are a registered not-for-profit corporation. We are for the children; we're for the community. We are not a business. We are simply a group of volunteers that put a lot of work and effort into making hockey happen in Stittsville. We're facing significant barriers especially from the HST coming up where we can't get more players in to play hockey. We're all about the children and providing an opportunity that they can enjoy Canada's sport.

There are a lot of follow-on benefits to that. Keeping youth fit in Ontario: Certainly in the city of Ottawa it's the focus, but we can't pay lip service to keeping children fit if we continually increase the cost. We can put in all kinds of nice programs. We can talk about it. We can market the sport as much as we can. However, when it comes down to what matters, and that's what comes out of people's pockets, it's the dollars and cents of the sport, and if they can't afford it, they will not do it.

I think the Legislature, especially the Liberal government, needs to understand some of the ramifications of these decisions. I'm a businessman myself. I understand that the HST is good for businesses. However, it is not good for not-for-profit minor sports corporations. It simply is not. The cost transfers from the city to the association to the fees parents pay, and parents will not pay the fees.

Typically, hockey has been, from a participation perspective, traditional Canadian families participating. We are seeing, because of the immigration in Ontario, more and more people from other countries. These are new hockey players, non-traditional Canadians playing, which is a great benefit to our game. In most cases, if you look at the demographics, these are the people who are going to be affected the most. It's sad because we're trying to increase the cultural participation in our sport because we know that's good. We know we want to capture the value of these different cultures in our sport. If you look at the demographics, they are the ones who are turned away. They don't know what hockey is. "Oh, all of a sudden it's a $700 fee. We can't afford that. Let's go do something else."

Hockey is a great sport. It's great for the fitness of youth. All minor hockey associations in Canada are volunteer-driven. Nobody gets paid for this work. The only thing that affects the cost of the sport is the ice costs, an we're talking about an 8% increase here. I'm telling you that hockey is at its breaking point right now to capture new interest.

If you look at Hockey Canada right now, the participation has actually gone down this year for the first time in, I think, 10 years. These are cost-driven factors. It's not because we don't have the youth; we do have the youth. They don't participate. Schools are growing. Enrolment is growing because of immigration. Minor sport is not growing. A lot of it is to do with the cost, because there's nothing else.

We have the volunteers, we have the facilities, we have the uniforms and we have the equipment. If you look at equipment, a pair of basic skates has not gone up in price in 10 years, but the cost to play has. We need to do everything we can to exempt minor sports from HST. We have to keep the cost down to keep people participating.

I just wanted to raise the awareness of what the impacts are and how important it is that we do keep these costs down.

1220

Hockey is a great game. It's sad, when we have children who come and are all excited, and then the parents find out about the costs and it's not even on their radar anymore. They say, "Well, okay, let's go somewhere else. Let's find an activity to go do." They should be in hockey. It's twice a week, it's high-intensity exercise, it's camaraderie and it's team building.

We're just disappointed, as volunteers, that we have to deal on the municipal side and now we're dealing on the provincial side. We just don't get the support from any level of government. We're 350 volunteers providing hockey for 1,200 kids and 2,400 parents. We run a $750,000 budget. We're doing this all in our spare time.

From my perspective, I'd like to see minor hockey associations that are obviously registered as not-for-profit corporations and doing their tax returns and everything like that be exempted from the HST. We can't keep passing on the costs to the end user. The end users are the kids. We don't want to do that.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Is the presentation over?

Mr. Craig Goodwin: Yes.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

Ms. Lisa MacLeod: On a quick point of order: I just wanted to say a quick hello, Craig. It's Lisa MacLeod, your former MPP. I'm just happy that you were able to get on the phone today.

The Vice-Chair (Mrs. Laura Albanese): Thank you. I'm going to turn it over now to the NDP caucus for questioning. Mr. Prue?

Mr. Michael Prue: Just a couple of questions here. Obviously, the costs and the price point of what hockey costs determine how many kids get into the program. We've heard that from other groups, like the YMCA.

How many players do you anticipate losing if the costs go up 8%?

Mr. Craig Goodwin: We anticipate losing around 10% of the players. We anticipate losing pretty much all of the new players who do not have access to disposable income. We also anticipate losing a lot of our house league players, because they simply have to—they signed up, when the child was seven or eight years old, at $450. Every year it's another $500, another $550. We're just looking at the growth rates; we're looking at our registration rates. We're not growing. This one is going to be our biggest increase yet. We're prepared for a 10% loss.

Mr. Michael Prue: A group of people have written to me and have complained bitterly about children's sports activities and hockey and some of the other sports as well. They juxtapose that with the government's announcement that they are not going to tax coffee and doughnuts. I don't want to get into the debate about whether or not coffee and doughnuts should be taxed. But it seems to me that if you're not taxing doughnuts and fast food that's going to increase the weight of children, but you are taxing them when they want to go out and play sports and be healthy, this doesn't make much sense. Do you have any comment on that?

Mr. Craig Goodwin: Well, yes, I'm incredulous about that. I believe we want to build a healthy Canada, and, certainly non-taxation of fatty foods and things like that run counter to that. I think that we should be encouraging our youth to participate in sports. I think it's not just the participation; it's the team building. It's building better human beings. It's being part of a group that's working towards a common goal. As a businessman and as a community leader, I think that's the type of people that we want to build. We want to make that as inclusionary as we can. We can't make it hard to get to. We can't make it out of reach of some people.

Part of the reason why I started this, and started to do my research and put together as much as I could, was because it saddened me when I looked and I saw services that are provided in the future that are going to be exempt from the HST, such as funerals, magazines and travel. Somebody who can afford a $5,000 vacation and takes it in September of this year is going to save 8% on that travel. And here we are with these little five-, six-, seven- and eight-year-old kids, and they've got to carry the burden. It just doesn't make sense to me.

Mr. Michael Prue: Some of the sports groups and recreation associations have said that they're likely going to have to lay people off. I know you're mostly volunteer-driven but you do have referees and linesmen and other people who would be paid from time to time. Do you anticipate that people will actually lose their jobs over this?

Mr. Craig Goodwin: No. As far as the minor hockey association goes, I don't think so. Certainly, our costs go up when it comes to providing the services, but the referee cost base and the equipment cost base are actually quite small compared to our ice.

That being said, in volunteer communities, there are certain positions in sports organizations that are very, very labour-intensive. We had a paid registrar, and last year we stopped that program. Instead of one person doing the work, we have spread it out over four or five volunteers. Now, the work hasn't been done—you know, whenever you pay for a position versus a volunteer, there's obviously a certain amount of enthusiasm that goes into the job, especially if you're getting a paycheque for it. I can tell you that we've stopped that program, so that is definitely one person who has lost their job because our costs keep going up. We just simply can't afford the cost increase, because any costs we incur pass directly on to the children and we can't do that.

The Vice-Chair (Mrs. Laura Albanese): You have 30 seconds left.

Mr. Michael Prue: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

Mr. Craig Goodwin: Thank you for hearing me.

NISHNAWBE ASKI NATION

The Vice-Chair (Mrs. Laura Albanese): We'll now move to the deputy grand chief of Nishnawbe Aski Nation. We ask him to come forward as our next presenter. If you could please state your name for the record, you may begin your presentation, which will be up to 10 minutes. Thank you.

Deputy Grand Chief Mike Metatawabin: Thank you, and good morning. My name is Mike Metatawabin, and I currently represent Nishnawbe Aski Nation as the deputy grand chief.

Before I begin, I just wanted to get an idea—just to make a reference, I guess. Perhaps you're familiar with the dispute going on between Kitchenuhmaykoosib Inninu]wug and Platinex? Just to give you some sort of reference, it's way past Highway 11, and that's where the majority of our communities are located: way beyond Highway 11. I'm not sure how many people know where Highway 11 is. I found out recently in one of my visits here, when we were lobbying the House on another matter, that not many people had gone beyond Barrie, let alone to know where Highway 11 is.

The reason I bring that up is just to give you an idea or a sense that there are communities that are way up there, that are very remote. They're fly-in communities; no road access. Fort Albany alone has—the gas, right now, is at $3.14 per litre. Fresh products are very few and far between. You don't get fresh produce on a daily basis, it's ordered, and by the time it arrives at its destination up there, it's beyond whatever it's good for. It's not fresh.

I make those points because I think a lot of times, when you come from an urban setting like this, passing a motion or passing a law, in particular this harmonization of the taxes, it might be a simple procedure, something that you take for granted when you live in a big urban setting. But coming from a community—and I'm born and raised in one of those communities. The majority of

my lifetime, I've seen people living on welfare. Before welfare, the majority of our folks lived off the land, lived in harmony. There were no interruptions, no social issues. They were very independent, and then for some reason the welfare legislation kicked in. For some reason people adopted it, and since then things have been somewhat more difficult, and more difficult to get by.

I wanted to include those before I made reference to my speaking notes here, because I think it's very important that people understand where we live, where we come from, and how difficult it can be to raise a family. A single mother raising five children on her own—it's very difficult. Children are left to fend for themselves. All they have is welfare. I can't remember the numbers now, but I think it's anywhere between $300 to $400 a month. I'd ask you to try to get by on that.

1230

I'm just going to go to my notes here for some points, in case I missed something. The communities are quite remote, like I said, and a lot of them live on welfare. That's all there is.

Education is maybe 10 to 20 years behind; it's just that the quality of education is not up to par with the rest of Ontario. The populations continue to grow, and it creates hardship on the ability of each chief of council to accommodate the needs of the people. The HST will just make it harder for our people to try to address those issues.

Like I said, we're remote, and we face enormous transport costs in shipping and receiving goods to and from urban Canada. The transportation of goods is very complex; there are a lot of parties and a lot of companies involved in transporting the goods.

With the change in climate, the winter road is almost—it's hard to say how it's going to be this year, because we don't even have a winter yet. We don't know what effect that will have, but I know that the shipment of dry goods like gas and fuel that are needed for some of the communities that are still on diesel fuel—it'll just add even further hardship for the families that have to pay for those high costs of electricity.

Prior to September 1, 1990, status Indians could purchase taxable goods off-reserve, exempt from RST, only if the vendor or vendor's agent delivered the goods to the reserve. Effective September 1, 1990, Ontario's policy was revised to ease the vendor-delivery-to-the-reserve requirement. As a result of this easement, status Indians are permitted to purchase most personal goods off-reserve, RST-exempt, as long as the goods are to be consumed on-reserve. In order to receive the exemption, status Indians must present their certificate-of-Indian-status identification card.

As more of a background—again, I don't know if people know this—Treaty 9 is unique in Ontario, and Ontario was involved in the signing of the treaty. There was an Ontario commissioner, which means that Ontario is a partner and owes treaty and fiduciary obligations to the community of Nishnawbe Aski Nation. The harmonization tax is a substantial change that negatively affects an inherent right to tax immunity from another government. Therefore, Ontario has a fiduciary and treaty duty to NAN First Nations to consult, accommodate and seek their consent. When Treaty 9 was signed, income taxes, added taxes and consumption taxes like the HST did not exist. There was no taxation in NAN's traditional territory; we didn't even have a word for it. The understanding was that by agreeing to share the lands and resources, NAN First Nations were coming to terms with the Canadian state. In a sense, NAN First Nations were paying their taxes in advance. In this context, it is a violation of the spirit and intent of the treaty and a violation for Canada and Ontario to impose any taxes above and beyond treaty-sharing. Canada and Ontario have no basis for it.

The non-application of the PST in Ontario has long been an established legal and administrative practice. Ontario cannot unilaterally change this practice without consulting, accommodating and seeking the consent of NAN First Nations. There is nothing in the text of the treaty that explicitly gives Canada or Ontario the right to impose new taxes. Such taxes are inconsistent with the funding-sharing arrangement of the treaty.

That's the historical context of my presentation. I tried to make my presentation as it is today in terms of the challenges that we face, the hardships that people endure, and also I tried to give you an idea of where we are. Right now, here in Toronto, how many people go up north every day? I don't know.

The Vice-Chair (Mrs. Laura Albanese): Thank you. We appreciate that. I will now turn it to the government side, Mr. Arthurs, for questioning.

Mr. Wayne Arthurs: Chief or Mike—whatever's preferable; Chief works for me; that's for sure—first, let me thank you. There are many of us, I would suggest, in this Legislature—certainly not all, but I include myself among the many—who need and appreciate the reinforcement that comes when either we see deputations from First Nations here or, in various committees when they do travel, have an opportunity to hear from First Nations to reinforce the plight, in many cases, of those who live in remote communities, the poverty that goes with that, the costs that go with living in remote communities. For me and, I suggest, many of us—not all of us, simply because there are those who have a more direct and intimate knowledge—it's an important reminder on an ongoing basis, so I want to start by thanking you for that as part of your deputation.

On the matter of the HST and the point-of-sale exemption: two things. Currently there is a point-of-sale exemption of the PST but the GST is paid and one has to apply for a rebate for that, subsequent to the purchase. Is that the current status of things, that you're paying the GST, the PST is exempt at point of sale, you pay the GST and then apply for that back?

Deputy Grand Chief Mike Metatawabin: Currently, yes.

Mr. Wayne Arthurs: Is that done annually or is that done—I guess it wouldn't be done on a per sale basis.

There must be some composite amount one would apply for. Is that—

Deputy Grand Chief Mike Metatawabin: I can't really answer your question but I know that right now, any goods that we purchase, there is the one exemption that people enjoy.

Mr. Wayne Arthurs: The exemption is on the PST or RST, the provincial sales tax, but you would pay the GST. If someone were to buy a snowmobile or a truck they would pay the GST and they would have to apply to have that GST repaid to them by the federal government.

Deputy Grand Chief Mike Metatawabin: The way that I know how it's worked out is that when you buy a product like that, right now they want to see proof that you've delivered it to a community. So you have to have a picture or something, some way to verify that you've delivered it, and that way you're exempt from that.

Mr. Wayne Arthurs: I could be mistaken—I don't think I am, in that context—that the RST is exempt at point of sale, but the GST is paid and then one applies for a rebate on that.

My further understanding at this point and from questions that have happened in the Legislature only in the past few days is that the provincial government is supportive of the First Nations position on this matter and that they are standing with the First Nations communities in pushing this with the federal government such that, with a harmonized tax, there would be point-of-sale exemption for the complete harmonized tax. But because this is going to be shifted, subject to the will of the Legislature, to the federal government as a federal collection of the HST, for us it's important that we work with First Nations and the federal government to look to a full exemption at the point of sale. It's not a matter that the provincial government will undertake to do on its own if the tax is harmonized because it will be then a federal tax that is being applied, with a proportionate amount coming back to the province. I think it's fair to say, given the questions in the Legislature and the responses by the minister and the Premier—although I can't recall whether the Premier specifically spoke to it—that the Premier has actually written to the Prime Minister specifically on this matter. Our minister is—

The Vice-Chair (Mrs. Laura Albanese): One minute left.

Mr. Wayne Arthurs: —working collaboratively to see whether or not the federal government will provide a point-of-sale exemption for both the GST and PST but with the harmonization of the full HST. It's an ongoing matter of discussion. It's important that you continue to draw it to our attention. The Chiefs of Ontario were here on Thursday. We had a deputation from them as well.

1240

Deputy Grand Chief Mike Metatawabin: I just want to add, too, that most communities up there, the infrastructure is not there, where people can go to an office or go some place to fill out these forms or whatever, so that's another challenge that we have.

Mr. Wayne Arthurs: In an ideal world, then, an exemption at point of sale for, effectively, both PST and GST to be harmonized would be the best solution.

The Vice-Chair (Mrs. Laura Albanese): Our time has expired, but we thank you for your presentation here today.

UNITED STEELWORKERS UNION, CANADIAN NATIONAL OFFICE

The Vice-Chair (Mrs. Laura Albanese): I will now call the representative of the United Steelworkers Union, national office, to come forward. Welcome. If you could please state your name for the purposes of Hansard recording before you begin your presentation, that would be appreciated. You will have up to 10 minutes for your presentation. You may begin.

Mr. Erin Weir: Thank you, Madam Chair. I'm Erin Weir with the United Steelworkers Union, Canadian national office. I'd like to make three points in my testimony here today. I'd like to address how Bill 218 will affect provincial revenues; second, I'd like to examine how the business tax cuts in the bill will or will not affect the provincial economy; and third, I'd like to discuss how sales tax harmonization will affect pension and benefits plans in Ontario.

I think it's fair to say that the most controversial aspect of sales tax harmonization has been the application of the sales tax to a wider range of consumer goods and services. There is a legitimate concern that consumption taxes are regressive, but I think an even more important concern is how the money raised will be used. If additional revenue from consumption taxes was invested in public services, the progressive effect of those public services could offset the regressive effect of the consumption tax.

In fact, as I've said before in front of this committee, I would happily support higher provincial taxes to fund improved public programs. However, it is important to note that Bill 218 does not actually provide more revenue. The 2009 provincial budget indicated that the sales tax changes would generate an additional \$2.2 billion annually. However, the personal income tax reductions and credits to compensate for those sales tax changes will cost \$2.3 billion annually. Recent concessions that the provincial government has made in the areas of prepared food and real estate purchases will cost another \$0.6 billion per year. So the whole harmonization process will actually reduce provincial revenues available for public purposes by approximately \$0.7 billion per year. On top of that, Bill 218 also enacts corporate tax cuts that will cost a further \$2.3 billion annually when fully implemented in 2014-15.

What this proposed budget legislation amounts to is a transfer of some \$3 billion from the public purse and billions more dollars from Ontario consumers to the corporate sector. The argument that has been made in favour of this huge transfer to the corporate sector has been the claim that it will create jobs and investment in

the province. In particular, Jack Mintz has garnered a great deal of attention by claiming that Bill 218 will create some 591,000 new jobs. To put that number in perspective, employment in Ontario declined by 179,000 since October of 2008. So essentially what Mintz is claiming is that the tax breaks contained in budget 2009 will create more than three times as many jobs as were eliminated by the worst economic crisis since the Great Depression. Suffice to say that I'm fairly skeptical of that claim.

Mintz arrives at the figure of 591,000 by combining a large projected increase in capital investment with two unsupported assumptions. First, he posits a fixed ratio of labour to capital, so that employment income must automatically increase by the same proportion as capital investment. Second, Mintz assumes fixed wage rates, so that the entire increase in employment income must represent additional jobs. I would submit that even if one were inclined to accept the projected increase in capital investment, one should not accept the projection of 591,000 new jobs.

Putting that figure aside, I think there are specific reasons to doubt even the projected increase in investment. On the issue of corporate tax cuts, I would note that Premier McGuinty was extremely articulate and effective in refuting federal demands for provincial corporate tax cuts until budget 2009. I won't repeat the excellent arguments that the Premier made against corporate tax cuts, but I will add one more, which is articulated in the paper that has been circulated to this committee.

The argument here is that many of Ontario's provincial corporate tax cuts will not actually go to enterprises operating in the province but, rather, will be transferred to the United States federal treasury. I'd be happy to elaborate on that if there are any questions, but I would really draw people's attention to the paper on that point.

Removing the sales tax from business inputs is also unlikely to promote additional investment in Ontario. The existing provincial sales tax already exempts most of the machinery and equipment that's needed to undertake major capital investment. The harmonization envisioned by Bill 218 will serve instead to remove provincial sales tax from building materials, office supplies and other intermediate inputs that are far less essential to business investment decisions.

A better alternative to the business tax cuts in this bill would be more targeted tax measures. For example, it would cost only a few hundred million dollars to simply remove the remaining provincial sales tax that still applies to a few forms of machinery and equipment. So simply removing the PST from those capital goods would be no more expensive than the harmonization scheme that has been proposed.

Another similar option would be to enact an investment tax credit where, instead of providing huge, across-the-board corporate tax cuts and simply removing all sales tax from business inputs, the provincial government would offer businesses tax breaks proportionate to the amount that they actually do invest in the province of Ontario.

Finally, I'd like to conclude by addressing how these sales tax changes will affect pension and benefit plans in Ontario. Most of the administrative, actuarial and other services used by pension plans are not currently subject to provincial sales tax. However, they are subject to the federal goods and services tax.

Pension plans run within a business receive input tax credits for the GST that they pay on those services. But multi-employer pension plans and benefit trusts separate from the specific business must pay the 5% GST. Bill 218 will increase that cost to 13%, which is, of course, a deduction from the pool of funds that are available to provide pension and other benefits to Ontario workers.

1250

There are essentially two possible solutions to this problem: One would be to not enact Bill 218; the other would be to amend Bill 218 to give the same input tax credits to multi-employer pension plans and benefit trusts as are available to single-employer pension plans, putting these entities on the same playing field as single-employer pension plans.

Thanks very much for your time. I really appreciate the opportunity to appear before this committee.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. Ms. MacLeod.

Ms. Lisa MacLeod: Well, thanks again, Erin, for coming in. I appreciate seeing you once again. We shared a panel, both of us, from two different political spectrums—definitely from two different ends of that spectrum, but in opposition to this tax.

I'm going to do something a bit unprecedented. I'm going to give the official opposition's time to the other Mr. Miller, Paul Miller of the NDP.

Mr. Paul Miller: Thank you. It's good to have you here, Erin. Once again, I see the Steelworkers have done their homework.

Erin, I've got to ask you this. The government keeps touting the 600,000 jobs that they're going to create with this tax over a period of time. Our estimates have been probably a minimum loss of 40,000 per year under this new plan. Do you think we're in the ballpark with our estimates at possible job losses as opposed to this crystal ball, 600,000 gain they're talking about?

Mr. Erin Weir: I think it's very hard to make these kinds of employment projections with a great deal of precision, but certainly if you have an economic model with a given amount of output being produced and you start substituting more capital for labour, as these tax changes will supposedly achieve, then the result would obviously be less employment. Now I'm fairly skeptical that these tax changes will actually result in more capital investment in the first place, but if they did, the result would indeed be fewer jobs.

Mr. Paul Miller: Speaking from the steel sector, as we're both well aware of, I don't see that it's going to create any jobs in Hamilton. In fact, the corporate breaks, as you said, would be going south of the border. All the

major steel companies in Hamilton are foreign-owned—ArcelorMittal, US Steel—and for a lot of these benefits, obviously the money is going to go south, as well as our raw materials that are disappearing off the ground.

They're removing equipment that they got tax breaks on, and that equipment is now on transports going to Illinois and Michigan out of our plants. Adding an additional tax at this time, in my humble opinion, would be counterproductive. Would you agree with that?

Mr. Erin Weir: Yes. The major machinery and equipment used in the steel industry is already exempt from the provincial sales tax, so harmonization won't do much to encourage investment in that or many other areas.

The other point I think you hit on is that US Steel is an American corporation taxed on a worldwide basis by the American government. So when it repatriates profits south of the border, it needs to pay the 35% American federal corporate tax rate on them. As Ontario cuts its combined corporate tax rate further below 35%, that's not going to help the company; it's just going to redirect some its tax payments from Queen's Park to Washington.

Mr. Paul Miller: Speaking from a raw material perspective—you know iron ore and coal are a very big part of the steel processing—how do you feel this additional HST will affect the raw material sector of our economy, costs for the company and possible removal of some of that raw material south because it's owned by the company once it's purchased? Is it mined in Canada? Is it mined in the southern United States? What effect will that have on raw materials?

Mr. Erin Weir: I haven't looked into that specifically. I guess I would say, in theory, under the HST, the company would receive input tax credits for sales tax that it would be paying on its raw materials. So, in theory, it shouldn't have much of an effect on the industry, but it's possible that it would in some way.

The Vice-Chair (Mrs. Laura Albanese): One minute left.

Mr. Paul Miller: In closing, I would just like to say you're representing the steel sector, obviously, both sides of the border, Pittsburgh as well as Canada, because of our international situation, and I believe Mr. Gerard has lobbied the government very hard on this issue, and he's definitely against this. So from the Steelworkers, which represents hundreds of thousands of workers in North America, would it be safe to say that we're not in favour of the HST?

Mr. Erin Weir: That's correct. Certainly the United Steelworkers union's position is quite skeptical and critical of Bill 218.

Mr. Paul Miller: Thank you, Erin.

Mr. Erin Weir: Thanks for your time.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. This brings—

Ms. Lisa MacLeod: Madam Chair, I have a quick question.

The Vice-Chair (Mrs. Laura Albanese): Yes.

Ms. Lisa MacLeod: Further to my request, as of Thursday and again this morning, have we received the documentation of the so-called 150 public hearings from the Liberals, including the transcripts from those meetings?

The Vice-Chair (Mrs. Laura Albanese): Not to the clerk's knowledge at the moment, but he will double-check as soon as he goes to his office at 1 p.m.

Ms. Lisa MacLeod: Okay, thank you.

The Vice-Chair (Mrs. Laura Albanese): This brings our deputations to a close. We shall reconvene at 2 p.m. for clause-by-clause consideration. Thank you.

The committee recessed from 1256 to 1405.

The Vice-Chair (Mrs. Laura Albanese): Good afternoon. I call to order this meeting of the Standing Committee on Finance and Economic Affairs to consider clause-by-clause for Bill 218, An Act to implement 2009 Budget measures and to enact, amend or repeal various Acts.

At this point, I would ask if there are any comments, questions or amendments to be offered and to which sections.

Mr. Michael Prue: If I could, the sections that appear to me to be the most relevant at least for what I want to talk about are schedules R, S and T. I realize that there's nothing in between, but when and if we get there, I would be requesting a recorded vote on a number of them. That's all.

The Vice-Chair (Mrs. Laura Albanese): So schedules R and T?

Mr. Michael Prue: R, S and T. Now, I understand there may be 500,000 motions before we get that far, and whether or not we get there remains to be seen.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Any other comments?

Ms. Lisa MacLeod: Just to reiterate, the clerk received 500,000 amendments electronically as well as a paper copy earlier today from the official opposition. I just would like clarity on the status of those amendments.

The Vice-Chair (Mrs. Laura Albanese): The clerk's office is working right now in putting together an amendment package. In the meantime, we can start working on the sections and schedules of the bill that don't have any amendments. After that, as soon as the package is ready, it will be distributed to all members.

Mr. Wayne Arthurs: Can I assume from that, then, that the amendments that have been submitted to the bill are currently being processed with the intention of delivering a copy of all of those amendments to each of the members of the committee? Is that the normal process, and is that the process that we are embarking upon?

The Vice-Chair (Mrs. Laura Albanese): Just for clarification, presiding as Chair of the standing committee, I will be proceeding today under the authority given by the Speaker's ruling of Thursday, April 10, 1997, and further upheld by subsequent amendments to the standing orders, specifically standing order 77(b). I am referring, in particular, to the principle that members are entitled to know what they are voting on and that it is important to prevent errors in the voting process. Standing order 77(b) allows the Chair of a committee to "take

such reasonable steps as he or she considers necessary to facilitate the committee's consideration and disposition of multiple amendments."

Basically, as Chair, I have the power to make determinations about whether the motions before the committee should be addressed separately or, in appropriate cases, may be ordered in such a way as to facilitate the committee's work. At my direction, committee members will be provided with a package of amendments and, where appropriate, with the shell or template of multiple amendments, all of which were filed by the deadline. In such cases, the Chair will advise members which template we are working from and simply read out the varying dollar figure or other variable.

We will now proceed to commence clause by clause.

1410

Mr. Michael Prue: Just to correct, I made a mistake: It isn't R, S and T; I'm looking at R and U. Schedules S and T I'm prepared to let go by. So it's schedules R and U. Thank you.

Ms. Lisa MacLeod: Madam Chair. So I'm to understand, then, that you're going to make available a template that will be circulated at various times throughout the committee, and you will make, as the Chair, the determination of what amendments will be grouped, if any?

The Vice-Chair (Mrs. Laura Albanese): The chart that we will be distributing will have on it the dollar amount in one chart, instead of multiple. We will be voting on each dollar amount.

Ms. Lisa MacLeod: Okay, so we're—

The Vice-Chair (Mrs. Laura Albanese): We're just trying to simplify the work.

Ms. Lisa MacLeod: Okay, so you've actually had somebody look in the last two hours at what each one of the 500,000 amendments will cost? You've had the time to do that?

The Vice-Chair (Mrs. Laura Albanese): What I'm told by the clerk is that all the change is a dollar amount in each one of the motions. So we would be simplifying that onto one chart and voting on each dollar amount.

Ms. Lisa MacLeod: Okay, but what about amendments that I've seen that do not have a dollar figure attached to them?

The Vice-Chair (Mrs. Laura Albanese): We'll deal with those as usual. They will not be part of the chart. The chart is for the dollar amounts.

Ms. Lisa MacLeod: So in the case that, for example, one would want to exempt the city of Ottawa from having to pay the HST, how would that be dealt with?

The Vice-Chair (Mrs. Laura Albanese): Whatever variable changes are contained will be mentioned, and we will be voting on the variable.

Ms. Lisa MacLeod: Okay, but I'm still not clear. So there will be resolutions or amendments to Bill 218 that will call for the exemption of, perhaps, a service. Let's use the Stittsville Minor Hockey Association; they came before committee today. They told us that for each player it's $625. What if there is a resolution put forward to exempt a hockey team or several hockey teams, and of those several hockey teams, maybe it's an exemption. Are you going to be assigning a dollar figure to that too? Since hockey registration costs across Ontario are different, whatever the 8% impact of the HST is, it would be different?

The Vice-Chair (Mrs. Laura Albanese): However the motion was worded. If it's the name—

Ms. Lisa MacLeod: Okay, but I'm still confused by this chart.

The Vice-Chair (Mrs. Laura Albanese): There's a template that has been created. There was a large number of motions presented by the party that have variable amounts on them. For those motions, no calculation was made, no basic change was made. They have been put into a template. There's no change made to the motion per se. They have been put into a template so that it will be easier to vote on each variable dollar amount.

Ms. Lisa MacLeod: Okay, and what variables? Could you give me an example?

The Vice-Chair (Mrs. Laura Albanese): Types of properties and types of services.

Ms. Lisa MacLeod: And can you elaborate on that?

The Vice-Chair (Mrs. Laura Albanese): And municipalities.

Ms. Lisa MacLeod: So, when you're looking for an exemption, for example, if you were to exempt municipalities, have you assigned a numeric value for those?

The Vice-Chair (Mrs. Laura Albanese): No, the name of the municipality—it's my understanding that would change.

Ms. Lisa MacLeod: My understanding when we first started discussing this was it was a template with a dollar figure. Instead, what's happening here is wherever you may find duplicates, that's what you're doing; you're putting them into a template table?

The Vice-Chair (Mrs. Laura Albanese): They're not duplicates. It's a template of multiple amendments that have the same wording, and there's only one variable on them that changes throughout the amendments.

Ms. Lisa MacLeod: So you've done this, and we're now waiting for these to be printed?

The Vice-Chair (Mrs. Laura Albanese): Copied.

Ms. Lisa MacLeod: Or copied. So we won't be receiving the actual amendments then; we will, instead, be receiving one template?

The Vice-Chair (Mrs. Laura Albanese): You will have a copy of the motion and then a template on the side that has the variable that changes.

Ms. Lisa MacLeod: And the variable could be a place—

The Vice-Chair (Mrs. Laura Albanese): So you'll have the original motion and you'll have the template.

Ms. Lisa MacLeod: —an activity or a number?

The Vice-Chair (Mrs. Laura Albanese): Yes.

Ms. Lisa MacLeod: Okay. That will be made available to us—

The Vice-Chair (Mrs. Laura Albanese): As soon as the package is ready. They're working on it right now.

Ms. Lisa MacLeod: Okay.

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs.

Mr. Wayne Arthurs: Thank you, Chair. I do have a couple of general questions. First let me say that I find myself at a bit of a distinct disadvantage. To my understanding, from a press release, it was the intention of the official opposition to submit some 500,000 amendments. I presume from our discussion here that you have quite a quantity of paper to deal with, thus my earlier question in the context of providing copies of amendments to all of the members. If that's anywhere close to accurate, that would mean some five million pieces of paper, so I can appreciate the difficulty in doing that.

The problem that I'm having right now in the discussion that's going on, in trying to follow the discussion, and make some sense of where we might be heading—or not, as the case might be—is I have no grounding, no basis of information on which to participate effectively because I haven't seen any, let alone 500,000, of the amendments. It makes it very difficult to know where the discussion is going. It's problematic in the context of following what's happening, and in an effort to participate effectively on the government side of this committee, if we are at a point of making—and I don't think we are, frankly—any recommendations about how to proceed, let me go on to just briefly say that I respect and support the comments made by the Chair in the context of the Speaker's ruling and the precedent that's been set, and I have every confidence in the Chair's ability to carry out those obligations as she spoke to them, in providing the necessary information to committee as we proceed. I know she has great support from the committee staff in doing that, so I'm forced to proceed, but I do find us at a disadvantage in trying to have a discussion about process in the absence of any context for a great quantum of amendments.

1420

Ms. Lisa MacLeod: If I may, we did submit 500,000, both in hard copy—because we had to; we were told to—and electronically as well. I'm wondering if the committee has the capability to put those on a projector or something, because we did file them not only in hard copy, as we were told we had to, but also electronically, so that each member of the committee and the public is able to see our amendments—valid amendments—amendments that we have heard from Ontarians need to be put to this table and that we need to explore. So I would ask that video capabilities be provided to us so that we could have those on the screen, whether it's through PowerPoint or another form.

The Vice-Chair (Mrs. Laura Albanese): Comments?

Mr. Wayne Arthurs: Just in the context of this, the procedure that I'm familiar with is one where committee members normally—again, time is tight; I'm acknowledging the constraints we're all working under—are provided with a hard copy of the amendments that they are going to deal with in the context of the bill. Each member has an opportunity, then, to have in front of them the amendment to make their own notes on it.

For me, it wouldn't be satisfactory to simply put it up on an overhead projector, for lack of a better phrase, or a PowerPoint projection, and try to manage the business of amendments in that quantum by doing things by PowerPoint projection. And I'm not suggesting that you want to copy 500,000 times 10, and get five million pieces of paper, but at the same time, I'm not ready to simply say, "Let's put it up on a PowerPoint," and try to work in that fashion.

Ms. Lisa MacLeod: Madam Chair, I—

The Vice-Chair (Mrs. Laura Albanese): Mr. Prue.

Mr. Michael Prue: I have to state at the outset that I found myself at a particular disadvantage. I have not seen any of the amendments. I have not seen any that have been put forward by the government, if indeed there are any. I understand now from my colleague the parliamentary assistant that there may not be any. I know that we have submitted eight, and I do know that there are 500,000 that have been put forward by the Conservative Party of Ontario.

This is a considerable disadvantage, not having seen them in the beginning to understand what they're about or which ones I may support or not. I'm going to have to do it on the fly. But having said that, given that everything else here is on the fly because the government is so insistent on proceeding with this in such rapidity, I would at least—and I don't want to kill a forest of trees. I have to tell you that five million pieces of paper does not make much sense to me, when they're all going to be thrown out at midnight tonight.

I came from the city of Toronto following amalgamation, and one of the few good things that resulted is that we put the motions on the screen. Of course, we also had a computer terminal at our desks where you could read it, as well as the screen up at the front. But it got rid of the paper. If you are not going to print them—and I understand the logistics of all of that—then please, at least put them on the screen. I need to know what I'm voting for; otherwise, I have no option except to vote against all of them, because I'm not going to vote for anything I have not seen.

The Vice-Chair (Mrs. Laura Albanese): Ms. MacLeod.

Ms. Lisa MacLeod: I will just echo again: We could have had literally a million amendments, I kid you not, had we been allowed to solely file electronically. We had no option. We followed the rules of the Legislature.

That said, we do have that quantity. We do have 500,000 unique amendments. I understand my colleagues and the concern for not only the time but also the amount of money that this will cost, and the trees, so that's why I would request one more time that we put these on computer and we take the time to view them and go through this. I think that the province deserves to have this discussion. The government has left us no recourse other than to have these thoughtful amendments put forward. We filed them in a timely manner, in the way in which the rules prescribe, and they are certainly a reflection of the people that we have heard from across the province.

So I would submit finally, again, that we do everything in our power using those electronic amendments so that we may vote on the electronic amendments, so that all members of this committee, those who are viewing this today, as well as those who are watching at home, are able to see the thoughtful amendments put forward by Ontarians through the official opposition.

The Vice-Chair (Mrs. Laura Albanese): We will look into the possibility of putting them on a projector. In the meantime, can we commence the work that we need to do? There are no amendments for schedules A to Q. We could commence that.

Ms. Lisa MacLeod: Just a final point of clarification: When will we know that we will be able to put these on a projector? I just think it does a terrible disservice to the amendments—

The Vice-Chair (Mrs. Laura Albanese): We don't know exactly how long that will take, but I'll—

Ms. Lisa MacLeod: Could we recess until we do know?

The Vice-Chair (Mrs. Laura Albanese): I'm going to allow Mr. Arthurs to have a word.

Mr. Wayne Arthurs: Chair, if I understand you correctly, the staff are currently working on documentation to be presented to the committee to facilitate this afternoon and whatever amount time it may take. I'm certainly more than prepared to await that documentation so we can review it and see if it does the bidding, the work of the committee. I'm not prepared to concede at this point in time that we begin entrenching a PowerPoint presentation as a means of doing the amendment business of the committee.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Mr. Arthurs. Ms. MacLeod.

Ms. Lisa MacLeod: Further to that, I think we heard from Mr. Prue about the time the city of Toronto amalgamated—the ability for them to use technology. It certainly wouldn't be a problem for this Legislature to come into the 21st century from time to time.

You used the 1997 precedent, where you said that members are entitled to know what they're voting for. We not only think that members of this committee need to know what they're voting for, but also that the Ontario public deserves to know what we're voting for on their behalf, or not voting for, as the case may be.

So, again, I would strongly urge that we do that. If it is the government's desire to print, reprint, or copy these 500,000 amendments, it will come at a tremendous cost. What we're simply suggesting is that we try to eliminate that cost, and we try to do this as efficiently as possible.

Mr. Wayne Arthurs: That was neither the government's response to the comments nor its intent; that was anything but.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Mr. Arthurs.

We will take a 10-minute recess, and we'll see how we are going to proceed. Thank you.

The committee recessed from 1425 to 1441.

The Vice-Chair (Mrs. Laura Albanese): The Speaker's ruling has been distributed to all the members of the committee.

Ms. Lisa MacLeod: I just have a comment.

The Vice-Chair (Mrs. Laura Albanese): Yes, Ms. MacLeod?

Ms. Lisa MacLeod: On April 6, 7 and 8, Speaker Stockwell ruled, on page 539, and I'll quote him, "Let me be ... clear. This process will be applied to"—and this is where I think it's important—"this series of amendments only and should not be construed to be a precedent for the reading of amendments in the future." He goes on to say, "This does not mean that I'm finding"—in the case of what he was talking about at the time—"these amendments to be frivolous or tendered in a spirit of mockery."

So I think it's important to note that at the time, Speaker Stockwell believed he was ruling—had asked the Parliament at the time to only apply his ruling to the series of amendments before him, and that they should not be, at that time, construed as a precedent.

The Vice-Chair (Mrs. Laura Albanese): The standing orders were—sorry, did I interrupt you? I thought you were done.

Ms. Lisa MacLeod: No, that's fine.

The Vice-Chair (Mrs. Laura Albanese): Okay. Since that ruling, the standing orders have been amended. As I mentioned, standing order number 77(b) allows the Chair of a committee to "take such reasonable steps as he or she considers necessary to facilitate the committee's consideration and disposition of multiple amendments."

Ms. Lisa MacLeod: Just to further that, I think Mr. Prue probably said it best, although I would hope it doesn't occur: that if he were asked to vote without the ability to see the motions, he would vote against them.

It is our right, a parliamentary right, to know what we're voting on, and our right to vote. I think it would be a point of privilege if one were denied that right to see these amendments. That's why I think, until we're clear that each member of this committee has a right to see each one of the amendments and to know what we're voting for or, in any case, against, I think that the principle, not just the procedure, must be discussed.

The Vice-Chair (Mrs. Laura Albanese): Because there are a number of schedules in Bill 218 that do not have or contain any amendments, we could proceed to deal with those. In the meantime, the package that we are expecting should be ready. If it is not ready, we can then recess until such time.

Ms. Lisa MacLeod: Okay, thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Any further comments?

Mr. Michael Prue: I just need to know: I know there are 500,000 amendments, but how many templates are there?

The Vice-Chair (Mrs. Laura Albanese): One second. The clerk will look into that right now.

Mr. Michael Prue: I need to know the number of templates because in the ruling by Speaker Stockwell—I don't know that we're bound by it, but in any event it's

being relied upon. There was, to my understanding—I was here and watched on the television for other days as they went through, and it quite literally was every street in what is now the megacity of Toronto—one template. This is very much different, if there is more than one. I anticipate there may be dozens.

The Vice-Chair (Mrs. Laura Albanese): There are four templates.

Mr. Michael Prue: Four. Okay. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Shall we proceed? We'll need unanimous consent to stand down sections 1, 2 and 3 to deal with the schedules of the bill.

Ms. Lisa MacLeod: Just a clarification: We're standing down sections—

The Vice-Chair (Mrs. Laura Albanese): Standing down sections 1, 2 and 3. Agreed? Agreed.

We'll move to schedule A. Will the committee agree to consider, in schedule A, sections 1 through 12, inclusive, simultaneously? Agreed?

1450

Mr. Wayne Arthurs: Agreed.

Ms. Lisa MacLeod: No.

The Vice-Chair (Mrs. Laura Albanese): So schedule A, section 1: Are there any comments? Seeing none, all those in favour?

Mr. Garfield Dunlop: Could I have a recorded vote, please?

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule A, section 2: Any comments? All those in favour?

Mr. Wayne Arthurs: Recorded, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule A, section 3: Any comments? All those in favour?

Mr. Wayne Arthurs: Recorded, please.

Ms. Lisa MacLeod: Excuse me, Madam Chair, would you be able to read the section?

The Vice-Chair (Mrs. Laura Albanese): Schedule A, section 3.

Ms. Lisa MacLeod: The wording, "When purchaser is not subject to tax."

Interjection.

Ms. Lisa MacLeod: I didn't hear what the legislative counsel said. She made a comment; I just couldn't hear it.

Interjection.

Ms. Lisa MacLeod: I was asking for the passage to be read into the record. Before I vote, I'd like to know exactly, as my colleagues would, and the public has a right to know.

The Vice-Chair (Mrs. Laura Albanese): When there is no amendment, we just call the schedule and the section.

Ms. Lisa MacLeod: Right, but the Liberal government has called for a recorded vote and I think it's incumbent upon you or the Liberals to read it into the record before we vote for it or against it.

The Vice-Chair (Mrs. Laura Albanese): I believe you asked for a recorded vote just before that for schedule A, section 2.

A copy of the bill is available to the public and to all members of the committee. When there are no amendments, we just read the schedule and the section, and that's what we vote on.

So we're going back to schedule A, section 3: All those in favour?

Mr. Wayne Arthurs: Recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule A, section 4: Any comments?

Mr. Wayne Arthurs: Point of order: If I can just ask, and this is just a question, the committee members today—is Mr. Garfield a committee member this afternoon?

Mr. Garfield Dunlop: I'm not subbed in, no.

Ms. Lisa MacLeod: He's not voting.

Mr. Wayne Arthurs: Then can I just ask whether non-voting members can ask for recorded votes?

Mr. Garfield Dunlop: Sure you can.

Mr. Wayne Arthurs: I don't know. As a non-voting committee member—sorry, I'm asking the clerk on a procedural matter. I know members are allowed to join in the committee, but I didn't know they were allowed to participate in the voting and were able to call a recorded vote.

Mr. Garfield Dunlop: I haven't voted.

Mr. Wayne Arthurs: No, I know that. I'm just asking. I may find myself in that position someday.

Mr. Garfield Dunlop: I wish I could vote. I'd love to have my name against this.

Mr. Wayne Arthurs: I'm sure you would.

The Vice-Chair (Mrs. Laura Albanese): I am advised that only a properly subbed member of the committee can vote or ask for a recorded vote.

Mr. Garfield Dunlop: I apologize for asking for the recorded vote, but I'll make sure my colleague will ask from now on.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Let's go forward with schedule A, section 4. All those in favour?

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule A, section 5: Any comments? All those in favour? Opposed?

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): You have to ask for it before, I'm told. I'm sorry. All those in favour? Opposed? Carried.

It has to be asked for before it's called.

Schedule A, section 6: Any comments?

Ms. Lisa MacLeod: A recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We shall proceed to schedule A, section 7. Any comments? All those in favour? Opposed? Carried.

Schedule A, section 8: Any comments? All those in favour? All those opposed? Carried.

Schedule A, section 9: Any comments?

Ms. Lisa MacLeod: Recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Schedule A, section 10: Any comments?

Ms. Lisa MacLeod: A recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule A, section 11: Any comments?

Ms. Lisa MacLeod: Just a recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule A, section 12—

Ms. Lisa MacLeod: A recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Shall schedule A carry?

Ms. Lisa MacLeod: Recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We'll now move to schedule B, section 1. Any comments?

Ms. Lisa MacLeod: Recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Mr. Michael Prue: Chair, in order to facilitate the proceedings, since one side or the other is calling for a recorded vote on every occasion, could I move that they all be recorded, and we can skip at least a couple of seconds on each one?

The Vice-Chair (Mrs. Laura Albanese): Do we have consent?

Ms. Lisa MacLeod: No.

Mr. Michael Prue: Okay. Just trying to speed it up.

The Vice-Chair (Mrs. Laura Albanese): Schedule B, section 2: Any comments?

Ms. Lisa MacLeod: Just a recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried. Schedule B, section 3: Any comments?

Ms. Lisa MacLeod: Recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried. Shall Schedule B carry?

Ms. Lisa MacLeod: Recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried. We'll move on to schedule C, section 1: Any comments?

Ms. Lisa MacLeod: Just a recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried. Schedule C, section 2: Any comments?

Ms. Lisa MacLeod: Just a recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried. Shall Schedule C carry?

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): All those in favour?

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried. Schedule D, section 1: Any comments?

Ms. Lisa MacLeod: Just a recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried. Schedule D, section 2: Any comments?

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): All those in favour?

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

1500

The Vice-Chair (Mrs. Laura Albanese): Carried. Schedule D, section 3: Any comments?

Ms. Lisa MacLeod: Yes, I actually do. Could legislative counsel tell us why we're striking out "January 1, 2011" and substituting it with "January 1, 2010"?

Ms. Catherine Macnaughton: I'd have to ask the ministry to answer that.

The Vice-Chair (Mrs. Laura Albanese): It would be the ministry that would answer that.

Ms. Lisa MacLeod: Sure. Well, then, maybe they can pop up to let us know.

The Vice-Chair (Mrs. Laura Albanese): Please be seated, and if you could state your name for the record.

Mr. James Sinclair: My name is James Sinclair. The question is why we're substituting the date?

Ms. Lisa MacLeod: Yes. Could you elaborate?

Mr. James Sinclair: My understanding is that the program is no longer active, and so it's just repealing the program.

Ms. Lisa MacLeod: Okay, and that is the community small business investment fund?

Mr. James Sinclair: Yes.

Ms. Lisa MacLeod: And that is—I'm not just talking about the act, but that's the program? And so the program has wound up?

Mr. James Sinclair: I can't speak to the program because I'm not out of the policy area; I'm the legal director.

Ms. Lisa MacLeod: Is there anyone here that could speak to the program?

Mr. James Sinclair: I don't believe I have anyone here to speak to it.

Ms. Lisa MacLeod: Okay, so we're striking out "January 1, 2011" to eliminate a program and we're

going to instead call it "January 1, 2010" next month and we don't know what the program is? Does anyone from the Ministry of Finance know what the program is? So let me get this straight: We're eliminating a program in the next three weeks and no one in the government knows what it is.

This is the problem for dealing with this bill as an omnibus bill. If this bill had just instead been about what everybody thought it was about—the HST—it would be a different story. But instead, in your haste to get this through not only provincial Parliament but through committee, what we're dealing with now is a program that we're going to kill and nobody knows the reason why. Nobody even knows the program probably exists. I think that speaks volumes as to why we needed more deliberation time and public hearings into this legislation.

Unfortunately, I will not be able to support striking this clause out because the official opposition has no clarification from the government or the Ministry of Finance officials. I'll require a recorded vote.

The Vice-Chair (Mrs. Laura Albanese): Any further comments? Mr. Arthurs.

Mr. Wayne Arthurs: Just briefly: Mr. Sinclair, thank you for presenting yourself. Secondly, obviously, fall budget bills tend to capture a large number of features. This is not the first fall budget bill that would have done this under our government or previous governments. The executive staff who are here will be able to answer probably a considerable number of questions, but there certainly may be areas, given the multitude of ministries that would be involved, and we would probably more than fill this room five times over waiting on a question that just may come up today.

Ms. Lisa MacLeod: Okay, but given the fact that you are the government and this is an omnibus bill and one that, according to your Premier, is the single most important thing you can do for the economy, not to be able to tell us what a certain program is for the Community Small Business Investment Funds Act—I think that's the biggest challenge.

I have concerns, and we won't be able to support that.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Any further comments?

Mr. Wayne Arthurs: Just very briefly: Within the context of the bill, there is a descriptive clause that may be helpful to the member. It speaks to "The amendment to clause 18.11(4)(a) of the act terminates the Ontario commercialization investment fund program by providing that no eligible investments may be made after 2009." So the moving up of the date recognizes that this particular program is coming to closure.

The Vice-Chair (Mrs. Laura Albanese): Any further comments? Recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule D, section 4: Any comments?

Ms. Lisa MacLeod: Just a recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule D, section 5: Any comments? All those in favour? Opposed? Carried.

Schedule D, section 6: Any comments?

Ms. Lisa MacLeod: Just a recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule D, section 7—

Ms. Lisa MacLeod: Just a quick question: Effective when this bill receives royal assent, that means we have effectively killed that program and eliminated the community small business investment fund?

The Vice-Chair (Mrs. Laura Albanese): The ministry would have to answer that.

Ms. Lisa MacLeod: Do we get legislative assistance from the parliamentary library too?

The Vice-Chair (Mrs. Laura Albanese): The parliamentary assistant, Mr. Arthurs.

Mr. Wayne Arthurs: In effect, there has been no uptake of that particular fund, and its continuation, having zero uptake, seemed inappropriate and unnecessary.

Ms. Lisa MacLeod: What do you mean by zero uptake?

Mr. Wayne Arthurs: There were no applications to use the fund.

Ms. Lisa MacLeod: There were no applications?

Mr. Wayne Arthurs: Not as I understand it.

Ms. Lisa MacLeod: Do you work for the legislative library, or are you with the ministry?

Ms. Catherine Macnaughton: With legislative counsel.

Ms. Lisa MacLeod: You're legislative counsel. So you work for the Legislative Assembly?

Ms. Catherine Macnaughton: In part.

Ms. Lisa MacLeod: In part? Okay.

Ms. Catherine Macnaughton: I helped draft the bill.

Ms. Lisa MacLeod: Oh, you drafted the bill. Okay.

The Vice-Chair (Mrs. Laura Albanese): Schedule D, section 7. Any further comments?

Ms. Lisa MacLeod: We'll have a recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Shall schedule D carry?

Ms. Lisa MacLeod: Could we have a recorded vote on that?

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule E, section 1: Any comments?

Mr. Wayne Arthurs: If I could, Chair, and this may be a point as well where the ministry staff may be able to help us, I hope. This is an interesting schedule dealing with the Condominium Act and the capacity to borrow funds. I'm noting in the schedule that it speaks to expanding the borrowing capacity of condominiums, as I understand it, to include instruments issued by credit unions, which are insured by the Deposit Insurance Corporation of Ontario. Why the inclusion? What's the benefit to condominiums for this particular amendment?

Mr. James Sinclair: I believe the intent of the amendment was to expand the range of choice of eligible securities available for condominium corporations, so that when they collect funds, they don't have to only consider depositing those funds or holding them in eligible securities issued by banks, but could also extend to caisses populaires and credit unions.

Mr. Wayne Arthurs: Would that be, as an example, the Toronto Police Credit Union or—I think the firefighters have one as well; I know Toronto police have a credit union. Would that be an eligible credit union?

Mr. James Sinclair: That would be an eligible credit union.

Mr. Wayne Arthurs: So that provides a window of opportunity for the condominium corporations—many of whom we heard from on this bill, albeit in a different aspect of it—capacity for them, presumably, to borrow in a more competitive marketplace than might otherwise be available, simply from the range of choice, and similarly the opportunity for credit unions to compete for those dollars to lend out, where to this point they would have been precluded from the opportunity to be in that competitive marketplace, primarily with the big five, if we can call it that. Is that a fair assessment?

Mr. James Sinclair: That's correct.

Mr. Wayne Arthurs: Thank you.

Ms. Lisa MacLeod: Recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule E, section 2: Any comments?

Ms. Lisa MacLeod: Recorded vote please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Shall schedule E carry? All those in favour? Opposed? Carried.

Schedule F, section 1: Any comments?

Ms. Lisa MacLeod: Could we have a recorded vote? Also, could legislative staff explain this a little bit more for us? I understand it pertains to co-operative corporations, so co-operative housing, and it's going to entail how they meet. I'm just wondering what the reason is for doing this right now in this bill.

1510

The Vice-Chair (Mrs. Laura Albanese): Mr. Sinclair, please come forward to give us—

Ms. Lisa MacLeod: We're dealing with the HST, what the government is calling the Ontario tax plan for more jobs and growth. I'm just wondering how co-operative housing falls under that.

Mr. James Sinclair: This was an initiative that was announced in the spring budget. The intent of these amendments is really to allow co-operative corporations to sort of get into the 21st century. It would permit them to have electronic meetings and to—I think it's basically to allow them to adopt more modern meeting protocols.

Ms. Lisa MacLeod: Weren't they allowed to do that? I guess the question I have is, why does that need to be legislated? Of course everyone should be able to use more modern protocols.

Mr. James Sinclair: Well, the way in which meetings could be called and held was prescribed in the act. The amendments are intended to allow, for example, the use of telephonic or electronic means. So we've proposed amending that particular provision. It's an older piece of legislation, and it's really modernizing that piece of legislation.

Ms. Lisa MacLeod: Okay. What's the rationale for including that in the tax plan bill?

Mr. James Sinclair: Well, it was announced in the budget as an initiative that was important—I can't speak to the policy of it.

Ms. Lisa MacLeod: It's just it seems quite ridiculous, actually, that our economic plan is telling people how to vote.

Mr. James Sinclair: Well, it would allow co-operative corporations to conduct their meetings more efficiently.

Ms. Lisa MacLeod: Okay. So it's all corporations or just co-operatives?

Mr. James Sinclair: Just co-operative corporations.

Ms. Lisa MacLeod: Okay.

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs?

Mr. Wayne Arthurs: Just a couple of things—Mr. Sinclair, don't go away quite yet. The fall budget bill speaks to implementing "2009 Budget measures and to enact, amend and repeal various Acts." I think we need to repeat on occasion during the course of our discussion here that there are a number of pieces of legislation and amendments from more than one ministry included in this particular bill, which is neither unusual nor in any way out of order, and you will see things, as we go through this, that reflect on other ministries.

I do want to comment, though—and I stand to be corrected and/or clarified—in respect to schedule F, the Co-operative Corporations Act. I was noting the capacity to move the Co-operative Corporations Act more in line with comparable provisions of the Business Corporations Act. My recollection was that when the old hydro utilities, the commissions, were reconfigured through legislation, they were reconstituted under the Business Corporations Act, and at that time it gave us greater capacity in the appointment of directors to the new corporate entity as might have been available to us from the standpoint of commissioners.

My recollection, and I may be wrong on this, was that the commissioners were at least traditionally, if not by law, drawn from the geographic boundary, if I can call it that, of the utility, whereas the Business Corporations Act allowed the utilities to draw upon expertise on their board of directors from far and wide. There were any number of them who advertised broadly and brought directors on with particular kinds of corporate expertise who didn't necessarily live in the areas that the utility might have served. I think I'm correct in that; again, I stand to be corrected.

The next part of my comment in that regard, though, is with respect to schedule F, because the last part of F speaks to non-members of co-operative being permitted to be directors of the co-operative subject to certain restrictions. The analogy I'm drawing is that co-operatives may not have, within the context of their membership, the range of expertise that would best serve that co-operative in managing its business. My sense would be that this type of change would give the co-operative the level of flexibility to reach out to a much broader community to put on its board of directors the type of expertise that may better serve that co-operative and make it a better business functioning unit. Is that a fair assessment of what this might mean in that context, or have I missed the mark entirely?

Mr. James Sinclair: No, that's a fair assessment. Like all corporations, co-operative corporations are creatures of statute, and so the amendments are being put forward to modernize this particular statute, including allowing non-members to serve as directors.

Mr. Wayne Arthurs: Thank you, Mr. Sinclair. I appreciate that.

Ms. Lisa MacLeod: Just before we vote, can I get clarification on the timing as to when we might be able to expect the official opposition's amendments?

The Vice-Chair (Mrs. Laura Albanese): We shall inquire. The clerk shall inquire.

Ms. Lisa MacLeod: Okay. Do you think it's going to be minutes or hours, or—

The Vice-Chair (Mrs. Laura Albanese): We will make a phone call and inquire. In the meantime, we can move on—

Ms. Lisa MacLeod: Recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule F, section 2: Any comments?

Ms. Lisa MacLeod: Just a recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

The Vice-Chair (Mrs. Laura Albanese): Those opposed? Carried.

Schedule F, section 3: Any comments?

Ms. Lisa MacLeod: Just a clarification on the corporate seal: I assume that's being amended. We're taking out "under its corporate seal"? Is there a rationale for taking the corporate seal out of the act?

The Vice-Chair (Mrs. Laura Albanese): Legislative counsel?

Ms. Catherine Macnaughton: It's my understanding, under modern corporate law, that corporate seals are not necessarily required anymore. Some corporations have them and some don't. So this is just taking away the requirement that they have to do something under corporate seal.

Ms. Lisa MacLeod: Okay.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): I'm informed that the amendment package will be here in approximately one hour.

Ms. Lisa MacLeod: Okay.

The Vice-Chair (Mrs. Laura Albanese): We shall move to vote on schedule—

Ms. Lisa MacLeod: Just quickly, it's going to be here in one hour, so does that mean we'll be here until we've reached all of the amendments? What is the time frame for the rest of the committee?

The Vice-Chair (Mrs. Laura Albanese): Well, right now we're proceeding with the part of the bill that doesn't have any amendments. I guess we'll have a better idea at that time. As far as what we are allowed, the time allocation permits us to meet until midnight tonight.

Ms. Lisa MacLeod: Okay. I just was very worried that basically two hours would elapse through clause-by-clause and our amendments wouldn't have been made available. So I just wanted to make sure that there was sufficient time.

The Vice-Chair (Mrs. Laura Albanese): The office of the clerk is in the process of putting that amendment package together right now.

So we'll move on to the recorded vote for schedule F, section 3.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We'll move on to schedule F, section 4. Any comments? All those in favour—

Mr. Michael Prue: I have a comment.

The Vice-Chair (Mrs. Laura Albanese): Oh, sorry. Mr. Prue?

Mr. Michael Prue: Yes. I just want to make sure—what this appears to me to be, from the reading of it, is that "the bylaws of a co-operative, other than a non-profit housing co-operative, may provide for the appointment or election of directors" who are non-members. This is to allow people in corporations to appoint non-members to the board of directors? Is that what this is all about? Can anybody give me a rationale as to why you would want people outside the corporation having control of the corporation?

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs?

Mr. Wayne Arthurs: Chair, I can comment. In the same way that I was speaking with and asking some confirmation of Mr. Sinclair when he was up a few minutes ago, it would be my view that (1) non-members are not having a controlling interest, if I understand it correctly, if there were non-members on the board; and (2) it does allow the board to garner, presumably, expertise that might not otherwise be available within the context of the membership.

1520

The analogy I was using was the hydro utilities as entities under the Business Corporations Act, as opposed to commissions. That was the comparator.

It is, in my view, to allow the capacity to garner expertise that might not readily be available from the membership, to strengthen the corporation.

Mr. Michael Prue: But may I ask: It doesn't limit it to one or two people. It would mean that the bylaws could be amended in such a way that the majority or all of the—

Mr. Wayne Arthurs: It is limited to one fifth.

Mr. Michael Prue: It doesn't say that—oh, underneath maybe it does.

Mr. Wayne Arthurs: Subsection (3), I believe, Mr. Prue.

Mr. Michael Prue: All right, thank you.

The Vice-Chair (Mrs. Laura Albanese): So we shall move to vote on schedule F, section 4.

Ms. Lisa MacLeod: Recorded.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We will now consider schedule F, section 5. Any comments?

Ms. Lisa MacLeod: Just a recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We'll consider schedule F, section 6. Any comments?

Ms. Lisa MacLeod: Just a recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule F, section 7: Any comments?

Ms. Lisa MacLeod: Just quickly: Section 93.1 of the act will be repealed. I don't have a copy of the act. Could

we receive a point of clarification in terms of the rationale for repealing section 93.1 of the act?

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs.

Mr. Wayne Arthurs: My understanding of that is that there has been a requirement that a director from each group of a multi-stakeholder co-operative be in place at the meeting for the purposes of establishing a quorum. What this will do is delete that requirement, so if there was a multi-stakeholder co-operative and you were missing one member from one of those multi-stakeholder groups, you could still constitute a quorum for the purpose of the meeting.

The Vice-Chair (Mrs. Laura Albanese): Is that fine?

Ms. Lisa MacLeod: I'm just wondering, through consultations for this bill, did you hear—how did you come to this conclusion?

Mr. Wayne Arthurs: I think governments will have seen this over time. Co-operatives, as a group, have remained active in presenting themselves to government through ministries, obviously, the ministry activity, on issues that are of particular concern to them.

I know, as one member, I have had dealings over time with the co-operative sector in conjunction with the Ministry of Municipal Affairs and Housing. The PA on that format and myself have met with the co-operatives on occasion—not recently, I must say, not in the past few months, but it's part of this ongoing dialogue. So I couldn't say specifically where this particular item would have surfaced in those discussions.

Ms. Lisa MacLeod: Okay. I guess—

Mr. Wayne Arthurs: But to my knowledge, we wouldn't have gone out on a specific consultation to seek out this particular amendment.

Ms. Lisa MacLeod: Okay. I guess the concern, Wayne, is that, again, we've been dealing with the HST. When we're dealing with housing, it's about how much more it will cost renters, condo owners etc., again with the lack of comment from the public on this particular piece of legislation.

It's about that right to know that the Speaker in 1997 referred to. I just think that there wasn't adequate attention paid to other parts of this piece of legislation. Certainly, we didn't have the ability to reach out to stakeholders, just on the HST side. I have a real concern with this.

So I won't be voting for it, but I do call for a recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We'll now consider schedule F, section 8. Any comments?

All those in favour? All opposed? Carried.

We'll move on to schedule F, section 9. Any comments? All those in favour?

Ms. Lisa MacLeod: I was going to ask for a recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Shall schedule F carry? Any comments?

Ms. Lisa MacLeod: A recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Recorded vote. All those—

Ms. Lisa MacLeod: Oh, and basically, as of the minute this receives royal assent, then we're to expect that these changes will occur right away? What will be the means of transmitting this information to those in co-operative corporations? Is there anyone from municipal affairs and housing here who is able to tell us that? I mean, are there voting protocols on how these organizations, these corporations, will govern themselves, and what if there are pre-existing meetings? I think it's important for us to know if they are able to get this information in a very quick time frame. Again, just given the fact that this was sort of hidden in the HST bill, I'm not sure there were a lot of people who would have known about this.

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs?

Mr. Wayne Arthurs: First, if I can—I'll put my straight face on for a minute. None of this is hidden in the fall budget bill, colloquially referred to by the member opposite as the "HST bill." It's not hidden here in any way whatsoever. I have a high degree of confidence—

Ms. Lisa MacLeod: Then I'll say it's buried.

Mr. Wayne Arthurs: Having worked with senior members of staff in all of the ministries through one of my roles, I have tremendous confidence in their capacities and their expertise and their professionalism to be able to communicate this to the stakeholders that will be impacted, the co-operative housing corporations, and provide them with the necessary information. If there's a concern, the member can rest assured that the able staff that we have at the province of Ontario broadly will be able to undertake that in an effective fashion.

The Vice-Chair (Mrs. Laura Albanese): Mr. O'Toole?

Mr. John O'Toole: I know we're dealing with a specific section, F, and I do apologize, but I came because I was watching part of this proceeding after I was in the Legislature, and I had one question. I know our member

Ms. MacLeod has been doing diligence here. This has a section within the last paragraph on page 58 dealing with counting—I know this is with respect to co-operatives, but in a general sense, I want to direct through you, Chair, to the parliamentary assistant: Is there a method for counting jobs? We've got this Jack Mintz report saying there's 600,000 jobs in this thing, and they are saying that through these very rigid mechanisms of tax reform they are going to create 600,000 jobs.

I have two parts of the question: Are they being counted, and how? And the second one: In what sectors?

I mean, in all these things, the nuances around tax policy and tax shifting, there must be some method of trying to determine if there's success in the policy. Could I, through the Chair—I know it's not a specific amendment, but we are dealing with a section that has the counting provision here.

The Vice-Chair (Mrs. Laura Albanese): Any comments, Mr. Arthurs?

Mr. Wayne Arthurs: No.

Mr. John O'Toole: There's no method for accounting? The parliamentary assistant—there's no method for accounting whether or not there are job gains or losses, for the record? I'd like to send out a press release on that tonight, if I could. So that's the response?

Mr. Wayne Arthurs: You can probably send all the press releases that you would like, but I have no comment on your question.

Mr. John O'Toole: There's no accountability? That's good.

Mr. Wayne Arthurs: No comment.

Interjections.

The Vice-Chair (Mrs. Laura Albanese): We'll move forward to—

Ms. Lisa MacLeod: Just so we're clear, I'd like a recorded vote.

The Vice-Chair (Mrs. Laura Albanese): Thank you. On schedule F, shall schedule F carry?

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

1530

The Vice-Chair (Mrs. Laura Albanese): Carried.

We shall move now to consider schedule G, section 1. Any comments?

Ms. Lisa MacLeod: I do. It's interesting. Schedule G: Corporations Tax Act:

"1(1) The definition of 'film studio' in subsection 43.5(19) of the Corporations Tax Act is repealed and the following substituted:

"'film studio' means,

"(a) a building in which sets are used for the purposes of making film or television productions and sound, light and human access are controlled; or

"(b) a building in which activities are carried out directly in support of animation if the production is an animated production or contains animated segments; ('studio')."

I'm just wondering what the rationale is for the change, and what was it before? What has been eliminated or added? Is there anybody here from the appropriate ministry?

Mr. Michael Waterston: Hello. I'm Michael Waterston, counsel, legal services branch, Ministry of Finance. Schedule G contains an amendment to the Corporations Tax Act, which, as you know, is an amendment to section 43.5, which provides for the Ontario film and television tax credit. Currently, in the rules for the Ontario film and television tax credit, there are no specific rules that deal with animated films. It is proposed in this schedule to make two amendments: One is to clarify that the 10% bonus tax credit for regional Ontario production is available to animated films, and that's clarified through subsection (2) of section 1. Particularly with respect to the definition of "film studio," previously the definition contained only essentially clause (a), which dealt with general films. So what the government is proposing is to add the clause (b), which has a special rule with respect to animated films.

Ms. Lisa MacLeod: Okay. In the definition of regional Ontario production—let's just skip ahead to subsection (2)—what's the rationale for that? I'm an eastern Ontario rep, so I'm wondering why it's just the GTA.

Mr. Michael Waterston: It's my understanding that this bonus incentive for regional Ontario productions goes back to 2003 and was announced in that budget. The intent, I understand, is to encourage film production outside the greater Toronto area.

Ms. Lisa MacLeod: So it's for outside?

Mr. Michael Waterston: Correct. It's for production.

Ms. Lisa MacLeod: So section 2(c), which is, I guess, added, is to enhance film production outside of the GTA?

Mr. Michael Waterston: It's a special 10% bonus to encourage and support film production outside the GTA.

Ms. Lisa MacLeod: Can you make sure all that goes to Ottawa?

Mr. Michael Waterston: No.

Ms. Lisa MacLeod: No. You don't take a joke, eh? All right.

The Vice-Chair (Mrs. Laura Albanese): Thank you. So I called a vote—

Ms. Lisa MacLeod: I'm going to vote for this one.

The Vice-Chair (Mrs. Laura Albanese): —on schedule G, section 1. All those in favour?

Mr. Wayne Arthurs: Recorded vote.

Ayes

Arthurs, Hoskins, MacLeod, Naqvi, Pendergast, Prue, Sousa.

The Vice-Chair (Mrs. Laura Albanese): All those opposed? Carried.

May I remind all members of the committee that you should ask for a recorded vote before the Acting Chair says, "All those in favour?"

Ms. Lisa MacLeod: Things are moving so fast here, I'm sure it was hard for him to keep up.

The Vice-Chair (Mrs. Laura Albanese): We shall proceed now to consider schedule G, section 2. Any comments?

All those in favour? All those opposed? Carried.

Shall schedule G carry? Any comments? Carried.

We'll proceed to consider schedule H, section 1. Are there any comments?

Ms. Lisa MacLeod: Yes, just quickly. Clause 39(1)(d) of the Credit Unions and Caisses Populaires Act: "the deposits are required or governed under an act of the Legislature." What was it previously? So what we're doing is we're repealing that clause, and we're replacing it with "the deposits are required or governed by an act of the Legislature or the Parliament of Canada or by a regulation made under such an act." What was the previous situation? Wasn't it already previously prescribed this way?

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs.

Mr. Wayne Arthurs: Yes, I can give you the notation on it. It deals with moving the requirement that regulations be made to prescribe the statutes. It might be better, though, if we ask one of the officials, since they may be able to give us the layman's description.

Ms. Lisa MacLeod: I'm just wondering. So perhaps one of you can come up. So previously, it was made by regulation, and now we're opening it up for interpretation, or to be governed, by the Legislature or Parliament? If I heard what the parliamentary assistant said, previously it was governed by regulation.

Mr. James Sinclair: I believe that the intent of this provision is to facilitate credit unions and caisses populaires holding deposits, whether it's legislation or regulation of the federal Parliament or the Ontario Legislature. So I believe it's to facilitate credit unions and caisses populaires to hold deposits just generally. I'm afraid I can't tell you the exact wording of the previous provision. Perhaps legislative counsel could help with that.

Ms. Catherine Macnaughton: I think it previously required that—it just stated to be prescribed by regulation. All we did was move the regulation wording into the act.

Ms. Lisa MacLeod: Okay, and just quickly: Were the credit unions in Ontario part of a consultation for this to occur?

Ms. Catherine Macnaughton: That's my understanding.

Mr. James Sinclair: Yes, that's my understanding. And this is a follow-on amendment from more fulsome amendments that were passed in the springtime.

Ms. Lisa MacLeod: Okay.

The Vice-Chair (Mrs. Laura Albanese): Any other comments? I call the vote on schedule H, section 1. All those in favour? Opposed? Carried.

We will now consider schedule H, section 2. Any comments? All those in favour? Opposed? Carried.

Schedule H, section 3: Any comments? All those in favour? Opposed? Carried.

Shall schedule H carry? Carried.

We will now consider schedule I, section 1. Yes, Ms. MacLeod?

Ms. Lisa MacLeod: I do have a quick question, Chair. Maybe somebody from the government could tell me why the Education Act was included in the Liberal government's Ontario Tax Plan for Jobs and Growth Act.

I'll simply say this: I spoke a couple of weeks ago with some school board representatives from my community who were unaware that there was going to be a change to the Education Act hidden within the HST bill. When I told them that this was happening, they weren't sure why that was happening. They indicated that they had not been consulted. I just need to have a solid rationale given to me to completely understand why, in the haste of this, a big omnibus bill, this was sort of hidden inside it or sort of included amidst all the other details.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Any other comments? Mr. Arthurs?

Mr. Wayne Arthurs: I can only be somewhat repetitive, but probably using slightly different words. I would draw the member's attention to the title of the bill: An Act to implement 2009 Budget measures and to enact, amend or repeal various Acts.

Fall budget bills, as they're referred to, tend to be bills that capture a number of amendments to various acts. If each of them on their own were to take the necessary legislative time to make an amendment to an act, there would be little opportunity for the government of the day, whoever that might be, to fulfill the broader mandate that they have, or for the official opposition and the third party to hold those governments to account if, in effect, we didn't have this capacity to deal with relatively minor changes often, or changes that have been a result of consultations within a more comprehensive piece of legislation.

I hope that's ample and satisfactory.

Ms. Lisa MacLeod: Well, again, I just think it's—

Mr. Wayne Arthurs: I think I keep answering the same question over and over.

Ms. Lisa MacLeod: You know, that's an interesting point—that you say that you think you're answering the same question over and over and over, but the reality is, no, you're not, because each one of these different schedules is dealing with different legislation that can be completely different. We've dealt with condo corporations, we've dealt with co-operative corporations, we've dealt with liquor and wine, and now we're into school boards. It's so diverse. I think the real shame of it is that this committee is now just getting to the meat and

potatoes of all this other legislation hidden inside the HST bill.

Given that important legislation—we're going to get to teachers' pension funds later; again, hidden in the HST bill. So the public hasn't had the ability to talk about this, and now we're just going through—myself and two of my colleagues were able to have a briefing by the Ministry of Finance, but again, given the magnitude and the scope of the HST part of the HST bill, this is all very important and I think it requires due diligence. It seems like it's coming right out of left field.

1540

The Vice-Chair (Mrs. Laura Albanese): Thank you. Mr. Arthurs?

Mr. Wayne Arthurs: Again, briefly, I hope that the briefing to you and the other members was beneficial and helpful. Certainly, the availability of the ministry staff who are here, to the extent that they can respond directly to some of the questions of a technical nature that might be raised—I know that they're more than pleased to do that.

As I understand this element of the Education Act, it really brings school board accounting more in line with other recent changes in government accounting principles. They are those broader governing principles that governments have, and now school boards are lining up more effectively with those. Again, it would be a technical element. We would draw upon the experts who are here in the same way you would during the briefing session.

Ms. Lisa MacLeod: Great. I just appreciate that. Do we have anyone here from the Ministry of Education who might be able to speak to this bill?

Mr. Wayne Arthurs: I expect we have Ministry of Finance people here. I'm not seeing anyone jumping up saying they're from the Ministry of Education, but I'm sure Ministry of Finance people would undertake—

Ms. Lisa MacLeod: No, I guess my question was just if we had anyone, given that we've got Education Act legislation—

Mr. Wayne Arthurs: This does deal with finance matters, though, and I think they would be amply able to provide comment and, if not, advise that they don't have that particular information.

Ms. Lisa MacLeod: Sure. I guess the quick question is, who is responsible for the Education Act? Is it the Ministry of Finance or the Ministry of Education?

Mr. James Sinclair: It would be the Ministry of Education.

Ms. Lisa MacLeod: So you're dealing with school boards. Who deals with school boards? The Ministry of Finance or the Ministry of Education?

Mr. James Sinclair: That would be The Ministry of Education.

Ms. Lisa MacLeod: Okay. Thank you.

Mr. Michael Prue: If I could, I'm a little bit worried about this. It seems to me that this is the slow but very sure erosion of powers of school boards, taking away their authorities. Now you're taking away the authority on how they keep the books and the board shall not, without the minister's approval, have an in-year deficit and all of those things that are being put in place to ensure that any recalcitrant board that steps outside the boundaries, any board that questions the minister in his or her actions will be whacked with the long arm of the law.

I see that this is what it's for. I don't see that it's for any other purpose than that, and I certainly can't support it.

The Vice-Chair (Mrs. Laura Albanese): Any other comments?

Ms. Lisa MacLeod: I'll request a recorded vote on each of the items when they arise, but I won't be able to support it either. Quite honestly, we're on page 61 of, oh, I don't know, a bill that is 161 pages, so we have 100 pages left to go. We've got more schedules in this bill that deal directly with finance. Given the lack of due consideration of this schedule, I'll have to vote against each one of the items as well.

The Vice-Chair (Mrs. Laura Albanese): Further comments, questions? I shall call the vote, then, on—

Interjection: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): A recorded vote on schedule I, section 1.

Ayes

Arthurs, Hoskins, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We'll now consider schedule I, section 2.

Ms. Lisa MacLeod: A recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Any comments? All those in favour?

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule I, section 3: Any comments?

Ms. Lisa MacLeod: Just a recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We shall proceed to consider schedule I, section 4. Any questions?

Ms. Lisa MacLeod: Yes, just quickly: We're looking at the estimates, I believe, of the education ministry. Is this what we're voting on, the interpretation for definitions, 230.20? So, "The heading 'Estimates' immediately before"—so we're dealing with the estimates:

"The Lieutenant Governor in Council may make regulations,

"(a) prescribing the meaning of 'operating revenue';

"(b) prescribing revenues, expenses or other matters to be included or excluded...."

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs.

Mr. Wayne Arthurs: Sorry, I was distracted momentarily. I thank Mr. Hoskins for drawing me back to attention, so to speak, to what's before us.

These are principally—and again, the folks in finance have a much better handle on these—these, effectively, are bringing processes in line with more modern and current accounting practices. That's the principal intent in this section. Again, if the member wants a greater level of detail on the numbers, on the financial piece of it, the ministry staff I'm sure will be happy to provide the greatest amount of information possible.

Ms. Lisa MacLeod: I think that would be very helpful.

The Vice-Chair (Mrs. Laura Albanese): Mr. Sinclair, I believe it's your turn to come forward again.

Mr. James Sinclair: My understanding of section 4 is that it's adding certain definitions to the legislation that would allow school boards to report on an accrual accounting basis, not a cash accounting basis. It is part of amendments that are seen in this particular schedule that would modernize the way in which school boards provide their accounting to the ministry.

The Vice-Chair (Mrs. Laura Albanese): Any other comments? Thank you, Mr. Sinclair. We shall consider the vote. Schedule I, section 4.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule I, section 5: Any comments?

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Thank you—

Ms. Lisa MacLeod: Oh, we're looking at restrictions following a strike or lockout. "The minister, subject to the approval of the Lieutenant Governor in Council, may make regulations providing for the calculation of expenses of a board that are not incurred in a fiscal year by reason of a strike or lockout affecting the operations of the board."

So this is a new section added to the Education Act with respect to lockouts and strikes. Would the ministry officials care to elaborate on it? This is quite a long amendment to the new bill, and I think it's one that's worthy of some greater consideration. It takes up almost a full page.

Mr. James Sinclair: This provision is intended to amend the existing legislation which provides that if there are savings as a result of a strike or a lockout, they can be reflected in the accounts, and this adds the companion piece so that if there are expenses, they could also be calculated within the accounts of the particular school board.

Ms. Lisa MacLeod: Okay. So if there are savings—

Mr. James Sinclair: The savings were already in the existing legislation, but if there are expenses as a result of a strike or a lockout, then those should also be calculated in the calculation of—

Ms. Lisa MacLeod: Okay. And what types of expenses?

Mr. James Sinclair: You're getting into accounting, which is really not my forte, so I can't answer that question. I'm sorry.

Ms. Lisa MacLeod: Okay. Unless I know, I won't be able to vote for this. I don't know what these expenses are that we're authorizing from a strike or a lockout. Is it conceivable that if there was a strike or a lockout, the board would end up paying—oh, I don't know; that's the question: What would these expenses be? Would it be to provide daycare or other care for kids or—

Mr. James Sinclair: I think the intent of the provision—like the rest of these provisions, which were all announced in the spring budget—would be to modernize the accounting of school boards and put them on a PSA basis to allow more effective accounting of what the financial position of the various school boards is.

1550

Ms. Lisa MacLeod: Sure. I appreciate where you're coming from, but from our perspective, I think, in the official opposition, and from the public's perspective, quite honestly, I don't think Ontarians would expect that in the middle of the HST bill, we would be dealing with teachers' strikes and lockouts. I think that would actually, quite frankly, shock Ontarians, that we would be dealing with teachers' strikes and lockouts in the middle of the HST bill.

Given the fact that this has not had its due diligence done and we have not been able to communicate with the public, I just won't be able to support it. But I do thank you for your rationale.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Mr. Arthurs, you had further comments?

Mr. Wayne Arthurs: I did. I was just going to follow up just a little bit on Ms. MacLeod's query.

As an example, and this is one that sort of comes to mind, in the event that there was a disruption in schooling through a strike or lockout, it may require, at some point, additional custodial staff on an overtime basis for a period of time that would be considered an expense

extraordinary to the normal running of the school. I presume that might be the kind of thing that one would find.

I have to respectfully disagree that somehow the public would find this strange that we would be dealing with changes—modest changes, in many cases—to bills under the context of the fall budget bill. I think I'll go even further to say that the vast majority of the public expects us to do the work that's necessary, and it wouldn't surprise them that we are trying—as governments do, not just ours—to provide a level of efficiency so that debate of substantive matters can happen in the Legislature and things of less substantive content might well be dealt with in a more comprehensive fashion.

Ms. Lisa MacLeod: Well, that's interesting, I think, given any other bill, but nine out of 10 people, if not more, if I went out to the street, on Laurier Avenue in Ottawa or Bloor Street here in Toronto, would expect us to be doing clause-by-clause on the HST today. I think that that's what has been put out there, and I think that's what people expect.

Unfortunately, we had asked—of course, we had a reasoned amendment to sever these types of changes, these annexes, these schedules from the HST bill. Unfortunately, again, the HST bill is big enough on its own but then it has become this omnibus bill, with everything from the Education Act to condo corporations to liquor and beer. It's sort of a hodgepodge of things under the Ontario tax plan.

So it's unfortunate, but we will march on and we will continue to oppose this legislation.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Any further comments, queries?

Mr. Wayne Arthurs: Recorded, please.

The Vice-Chair (Mrs. Laura Albanese): Recorded vote.

Schedule I, section 5.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We'll consider schedule I, section 6. Any comments? All those in favour? Opposed? Carried.

Schedule I, section 7: Any comments? All those in favour? Opposed? Carried.

Schedule I, section 8: Any comments? All those in favour?

Ms. Lisa MacLeod: Just that, Madam Chair, I'm just wondering: It says subsection—

The Vice-Chair (Mrs. Laura Albanese): I had already called the vote.

Ms. Lisa MacLeod: Oh, okay. Could I have a recorded vote, then?

The Vice-Chair (Mrs. Laura Albanese): That was asked after. You missed it. You just missed it. Next time.

All those in favour? Opposed? Carried.

Schedule I, section 9: Any comments?

Ms. Lisa MacLeod: Could I have a recorded vote?

The Vice-Chair (Mrs. Laura Albanese): Yes, you may.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

Prue.

The ViceChair (Mrs. Laura Albanese): Carried.

We'll now consider schedule I, section 10. Any comments, questions?

Ms. Lisa MacLeod: Just a recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule I, section 11: Any questions, comments, queries?

Ms. Lisa MacLeod: Yes, I do. Mr. Prue may be interested in this one, the financial recovery plans of boards. "The minister may order a board to adopt by resolution a financial recovery plan and submit it to the minister within the time the minister specifies...." Then it goes on with the reasons why. I'm just wondering: Does the minister already have a similar authority?

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs?

Mr. Wayne Arthurs: Based on the amendment, one would think not.

Ms. Lisa MacLeod: But it's interesting when you're looking at a financial recovery plan and then we've seen, from time to time, that the minister has been able to send in supervisors. I know a few years back, before I was elected, they did it in the Ottawa-Carleton District School Board. I'm wondering, how is that a change and what was the rationale for this? I'm just very curious to know. It would appear, based on what we've seen in the past, that this type of authority does rest already with the minister.

The other things is, which minister is it? Is it the Minister of Education or the Minister of Finance?

Mr. Wayne Arthurs: This would be the Minister of Education, to provide for a board to adopt a financial recovery plan. I guess I would go out on a bit of a limb, since I'm not with the Ministry of Education—

Ms. Lisa MacLeod: Come on.

Mr. Wayne Arthurs: —a little bit of a limb—and suggest that having the capacity for the minister to order the board to develop and submit a financial recovery plan when they're obviously in financial difficulty would be, I would think, a preferable option or part of a series of activities that could occur prior to sending in a supervisor to run the board.

This would give, I think, the minister the capacity—understanding the board's in trouble—to order them to provide a financial recovery plan to the minister of the day so that they have the wherewithal then to evaluate that situation and make a determination as to whether the board is on the right track for recovery or whether some further action might be required. I think it's a good step in the midst of activity, rather than having to take what might be fairly draconian measures.

Ms. Lisa MacLeod: Okay. Just given that it is interesting, because I do believe that superintendents were put in place before.

The other interesting thing is, "Compliance with financial recovery plan." It just says that, "The board shall comply with the provisions of a financial recovery plan approved under subsection (2) until the board's financial statements for a fiscal year show that in that year it had neither an accumulated deficit nor an in-year deficit."

So if a board, hopefully, would comply, then there's something there. What if a board fails to comply? What does the minister do in that respect? Do you have a rationale on that if there is non-compliance?

Mr. Wayne Arthurs: I can't speak to what the minister might have authority to do—or not subsequent to that. I can only reference what's here and what in my view the functionality is. I don't know what—

Ms. Lisa MacLeod: Okay, but I'm still not clear with the functionality, only because, again, we've seen in the past these superintendents come in. We've had them in my community. I believe they've had them in Toronto as well. One would assume that had to do with the financial recovery of a specific board. Now we've got this legislation. I'm just wondering: If there's non-compliance with financial recovery, what happens? If we're legislating this, one would expect that there is an outcome.

Mr. Wayne Arthurs: The minister would be authorized to make regulations governing such financial recovery plans and setting interims goals or targets that boards subject to such plans would be required to achieve. They have then the capacity to take the financial recovery plan and to evaluate it. If they presumably found that it was ineffective, if that were the case, they could then authorize, through regulation, setting interim goals or targets that the board would be required to achieve.

Ms. Lisa MacLeod: Have school boards been asking for this? This is quite elaborate. This change is quite large. I'm just wondering where this came from, and will school boards be surprised when they see these new powers for the minister?

Mr. Wayne Arthurs: I can't speak to whether they would be surprised. My sense would be that the ongoing dialogue between government and school boards and teachers in a great variety of forums would, for all practical reasons, preclude the surprise element.

Ms. Lisa MacLeod: I guess the danger—

Mr. Wayne Arthurs: Whether they would be supportive, that's probably another question again. Ministry staff may or may not be aware of consultation and/or advice—and I'll maybe ask them to come up—from or to the boards in regard to this particular matter.

1600

Ms. Lisa MacLeod: And when does this take effect?

Mr. Wayne Arthurs: September 1, 2010.

Ms. Lisa MacLeod: I guess that's unclear, because some of them come into effect September 1, 2010, and others come as soon as it hits royal assent. It's not clear to me that this does come into effect September 1—

Mr. Wayne Arthurs: This one is September 1, 2010.

Ms. Lisa MacLeod: Okay. It says sections 1, 2, 4 and 6 to 13. So this would be section 11 of the schedule. Okay, it would come into effect on—

Mr. Wayne Arthurs: When I asked Mr. Sinclair to come up, I think the query was—and I was trying to respond to it—whether there was either direct consultation or advice from or to the boards, and whether this would be a surprise to them, in essence, or whether it's something that would have been part of an ongoing dialogue whether or not they were in full agreement with the actions of the government.

Mr. James Sinclair: I don't know the answer to the consultation piece, because that would have been undertaken by the Ministry of Education. I would, however, point out that these particular amendments were referenced in the spring budget. So from that perspective, they were part of that, and these are following through on that announcement.

Ms. Lisa MacLeod: Forgive me: I'm probably going to continue to repeat this throughout the hearings, and I know you know that. It's just that this bill has only been before the chamber for three weeks—let me check the front—since November 16. We are now at December 7. So we haven't had a lot of time with this bill in front of us. Whatever broad strokes one may have said back in March, what's in front of us now will become law. That's a lot of difference from the platitudes one receives in the Liberal red book, compared to what we're actually seeing that's going to be enacted into law. That's why I think it's important.

When you look at some of the other legislation we've received and dealt with, just last week we had two bills that were introduced back in May, and third reading hit just last week. That gives the Legislature and members of the assembly, as well as members of the public, six months to digest what is in front of them and what are the good and bad elements of the bills. We just haven't done that due diligence, because in the past three weeks, Ontarians have been focused solely on the HST bill, and

this is sort of hidden inside it. So I appreciate it. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Any further comments? Mr. Prue.

Mr. Michael Prue: Just reading this and looking at it, this appears to me tantamount to saying that any minister who is of a mind can ask any board, where the minister believes they may not be in a sound financial position, to submit a financial recovery plan to the minister if the financial statements indicate they're in deficit or if the minister so believes. Even then, the minister shall approve it or reject it or "reject the plan and do anything else he or she is authorized to do under division D or part VIII;" that is, to take over a board, is it not?

Mr. James Sinclair: I believe so.

Mr. Michael Prue: All right, so the minister can say, "I believe you're in deficit," and the board can say, "We're not in deficit," and the minister can say, "I want a plan." And then the minister gets a plan and says, "I reject your plan, and you are now under receivership," just like that. That's what we're authorizing by doing this, whether the board thinks they're in deficit or not.

Ms. Lisa MacLeod: How do you know, if they're in the middle of a strike or the lockout and they're not going to be able to file expenses? I'm just not sure this is good legislation.

Mr. Michael Prue: I just want to know what I'm voting for. What we're voting for here is that the minister has total authority over the board simply by making the statement, "I believe you may be in deficit. I am not satisfied you're not in deficit," and everything else flows from this. The minister can approve the plan or reject the plan and take them over, and here's the legal authority to do so. That's what this is all about.

Mr. James Sinclair: Correct.

Mr. Michael Prue: Okay, I'm not voting for this. I think this is disgraceful. I think this is absolutely disgraceful, and it's been hidden here, quite frankly. Maybe it's my own fault for not reading this with a fine-toothed comb before because, as the member from Nepean–Carleton said, we've been concentrating on another aspect. But here it is, in a nutshell: The ministry, in times that are very tough, in economic times like they are today, when boards may not have enough money and when boards are very much at risk of going into deficit, has handed themselves over the authority that the minister merely has to make the statement whether or not they're in deficit, only if the minister believes they may be in deficit, sets up a whole phoney thing where they have to submit plans and then can reject the plans without anything at all, any appeal, and the board can find themselves in receivership at the end of it all. It seems to me that this is the beginning of the end of the school board system in Ontario—

Mr. Paul Miller: And trustees.

Mr. Michael Prue: —and all of the trustees if this is allowed to pass.

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs.

Mr. Wayne Arthurs: Chair, I just want to draw attention to a couple of aspects, at least one of these. Under this particular clause, 257.29.1(1)(b), it says that if "the minister has reasonable grounds to believe that the board's financial statements for a fiscal year will show that the board had an in-year deficit contrary to section 231 or an accumulated deficit...." It's clear that this is, in my view, not a huge, draconian stick of some sort to beat up on school boards with. It clearly identifies that there have to be reasonable grounds. There are checks and balances, I would suggest, in place, as opposed to just getting up one morning and deciding that a school board should have a financial recovery plan because they had a bad hair day.

Mr. Michael Prue: How many school boards are that close to the line today? Most of them. This is before any cuts are made.

The Vice-Chair (Mrs. Laura Albanese): Are we prepared to go to the vote, or are there any other comments?

Mr. Wayne Arthurs: Recorded.

Mr. Michael Prue: Recorded vote, please.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We'll move on to schedule I, section 12. Any comments? All those in favour?

Ms. Lisa MacLeod: This deals with compliance of the financial recovery. It's now talking about the failure to comply. I had previously asked what it meant, and no one here knew.

It says, "The minister may direct an investigation under subsection (1) whether or not he or she has ordered the board to submit a financial recovery plan under section 257.29.1 or considered any such plan that has been submitted." This speaks to why we need more time on this bill. I asked a question a few minutes ago on what non-compliance would mean. There's not one official in this room that knew, nor was there a member of the government that knew. And here we are, we go down to the next section, and there's where it is.

I think that speaks volumes about the credibility of this process and the fact that we have important legislation hidden within the tax plan, hidden within the HST bill, with no regard for what any of this stuff means. It's just unbelievable that we would be dealing with this and nobody would say a word, and that in this process, this sham of a process, we have to jump the gun and try and get out as much as we possibly can to talk about the concerns that we have in the bill.

Again, I think that we're going to need more time to deliberate on this. In fact, am I able to put forward a

motion or am I not? So I couldn't put forward a motion right now to sever this from the legislation?

Mr. Garfield Dunlop: Well, they wouldn't agree with it anyway.

The Vice-Chair (Mrs. Laura Albanese): The deadline for amendments was at 12 noon. It's a hard deadline, as per the time allocation motion.

Ms. Lisa MacLeod: Okay. I guess the question is—

Interjections.

Ms. Lisa MacLeod: I have no idea how the Liberals can support this. But I have more of a concern that we're actually dealing with this legislation right now and there wasn't one person in this room who was able to answer the question that was in the next section. That just speaks to the fact that nobody read this bill, even from the government side.

I think that we need to recess until we can actually get ministry officials down for each of these acts that we're going to amend, because unless we start getting some answers out of the ministry officials who are responsible for administering the changes to these acts and who may or may not have had hearings with affected stakeholders, I think that we are doing not only this chamber a disservice, but also school boards a disservice. And whatever else we may deal with along the way, when we start to deal with treasury board and retirement, that's what's going to happen. This is just too big for us not to have the right answers. I would request that we get ministry officials from education here.

The Vice-Chair (Mrs. Laura Albanese): I'll ask if we can proceed. Any other comments?

Ms. Lisa MacLeod: Could we call for a recess to get the appropriate ministry officials here?

Mr. Michael Prue: Before we vote, I ask for a 20-minute recess to consult, and I'm entitled to that. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Absolutely. Okay, so we'll call for a 20-minute recess to consult. At 4:30 we'll be back.

The committee recessed from 1611 to 1631.

The Vice-Chair (Mrs. Laura Albanese): So we're back.

Ms. Lisa MacLeod: Chair, just quickly, two questions. One is, do we have an update yet on the briefing materials I had requested from the Liberal Party about its hearings, those 150 consultations that they told us they had? Do we have the documents and transcripts for those? Have they been tabled yet with the clerk?

Secondly, what's the status on the amendments from the official opposition? As you know, we had over 300,000 of them printed, over 500,000 electronically filed, and we're just wondering when those would be available to the committee so that people can begin to review them.

The Vice-Chair (Mrs. Laura Albanese): In regard to your first point, Ms. MacLeod, nothing has been tabled with the clerk.

In regard to your second point, the office of the clerk is working very hard to get that to the members as soon as possible. He cannot indicate a specific time, but we are being reassured that they are working really very hard to get it here as soon as possible.

Ms. Lisa MacLeod: Okay. I guess the concern is, we're two and a half hours into clause-by-clause and we don't have the amendments. It would be so much more helpful if we could do this electronically.

The final thing is, do we have anyone from the Ministry of Education here now to talk about the schedule dealing with the Education Act?

The Vice-Chair (Mrs. Laura Albanese): I will ask the parliamentary assistant.

Mr. Wayne Arthurs: Two or three things, and I'll start with the first thing.

Mr. Prue had asked for a 20-minute recess for some consultation, so I didn't know whether he was going to speak to someone and we were going to continue this discussion around the Ministry of Education. I do have a suggestion in that regard that may or not be helpful, and I'll make that in a moment.

I would like, though, to clarify two things of value, I think, to the committee. One, there was a question on Thursday about incarcerated prisoners and whether they would be eligible for rebates. The clarity on that is someone who is incarcerated for a period of 90 days or greater, and there's a technical piece when someone's in there, but beyond that, anyone incarcerated for more than 90 days does not receive HST/GST/PST rebates. So that, hopefully, answers the question regarding prisoners.

Ms. Lisa MacLeod: That was a Canadian Taxpayers Federation concern.

Mr. Wayne Arthurs: Hopefully, that's helpful.

There was also, and I think it needs some clarity, both in the committee and in the press release that was released by the official opposition which spoke to Mr. Mintz having been paid $700,000—

Interjection.

Mr. Wayne Arthurs: In actuality, the figure was $9,000, not $700,000. It was both in here and in the press release, but I thought it was such a quantum that it needed clarity on the record here.

Ms. Lisa MacLeod: I'd be happy to withdraw that.

Mr. Wayne Arthurs: Thank you.

Again, my suggestion, in the context of this part of schedule—what are we on? Schedule I. I'm not sure how—

The Vice-Chair (Mrs. Laura Albanese): Schedule I, section 12.

Mr. Wayne Arthurs: Section 12. I would move that we stand down the balance of this section. We'll undertake to see if there are Ministry of Education folks available, and maybe we can pick this up upon our return to this schedule.

If they need it in the form of a motion, you would have that.

Ms. Lisa MacLeod: If I may comment, I'd be happy to support that. But the problem is, they should have been here. The disregard for other pieces of this legislation is what really concerns me. I'm not going to speak for my

colleague from the third party, but I imagine he has similar sentiments, that this bill would be before committee, that you would have known much longer than we would have what the time frame would have been, and we would have expected that the appropriate resource people would be available per the schedule, much like they were at the ministry briefing. I'm very concerned that we're dealing with legislation this way. I'll support it only because I think we need to give it the due deference that's required.

But again, having said that, the point is that we are here now, two and a half hours into our clause-by-clause, and there isn't anyone here from the Ministry of Education to deal with their changes in the Ontario tax plan for more taxes. I don't know what else to say other than I'm just gravely disappointed.

I'll support your move to do that, but I want it into the record that, again, we're very concerned about how this is being done. You know what it speaks of? It's almost as if this was an afterthought and it was rushed into the HST bill. We are now going to be dealing with something about a board's financial statements and we're not giving it due regard.

I've said my piece. I'd be happy to support this, only because I desperately would like to ask some questions of the Ministry of Education officials.

The Vice-Chair (Mrs. Laura Albanese): We have Mr. Arthurs and Mr. Prue.

Mr. Michael Prue: I just want to make sure that the Ministry of Finance people will also be here this evening on the education piece. Specifically, my question relates to, if the upcoming budget were to decrease overall education spending by 2% or 3% or 4%, what is the likelihood of the boards in Ontario going into deficit? Because I would think that the higher the number is—if it's 3% or 4% or 5%, they'll all go into deficit. And when they all go into deficit, I guess the government has the wherewithal to get rid of them all at that stage.

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs.

Mr. Wayne Arthurs: Chair, I can only go back to what is before us. It's a provision for the minister to be able to call upon boards which find themselves in deficit situations, accumulated deficits or in-year deficits, to seek out a financial recovery plan and processes whereby, when reviewed, the minister could seek a secondary plan if the first plan wasn't satisfactory, and the capacity, ultimately, to bring it under the control of the ministry.

I think it's fair to say that school boards are funded not only by local taxpayers but, significantly, by Ontario taxpayers broadly, and we should expect nothing less than the government ensuring that those funds are being spent appropriately and there's a high degree of accountability. This is one of the measures proposed to achieve that.

Having said that, and recognizing the constraints that we're working under on the time allocation motion, I'm certainly prepared to stand this matter down, but I also am cognizant of the clock, as all members should be.

The Vice-Chair (Mrs. Laura Albanese): And in regard to the time allocation motion, I would like to advise all members and remind them that, and I'll read it through, "At 5 p.m. on Monday, December 7, 2009, those amendments which have not yet been moved shall be deemed to have been moved, and the Chair of the committee shall interrupt the proceedings and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of the bill and any amendments thereto."

At that point we'll be able to deal only with recorded votes, and there will be only one recess after 5 p.m.

Ms. Lisa MacLeod: I just would like to say that we've now waited two and a half hours, almost two hours and 45 minutes, for our resolutions to be provided. I'll have to raise a significant point of privilege tomorrow that we were not able to go through our amendments, if the case may be, by midnight tonight because the materials weren't ready.

1640

I understand that the government's first choice was not to go through these electronically, but the reality is that they were filed appropriately. Both myself and the third party suggested that these amendments be made available electronically. We've got three large TV screens here. We could have hooked them up so that they would have been visible not only to the members of this committee and those attending here today, but also to the public at home, had we wanted to go that route. It's not as if we did not file notice with the public on Friday. We did hold an availability to allow members of the public to know where we stood on this bill and that we were bringing forward 500,000 amendments. We were very clear at that point in time that they would be filed both in hard copy and electronically.

Now here we are, two hours and 45 minutes later, and we're just receiving our materials now. We're being dealt this heavy-handedness of this time allocation motion again, notwithstanding the fact that we have got, in this big book here, several different schedules that have nothing to do whatsoever with the HST bill other than that they have been photocopied and introduced by the government finance minister.

So again, I have a real problem with this. If we do not get to the resolutions by the official opposition this evening, I will be raising a significant point of privilege.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Mr. Arthurs?

Mr. Wayne Arthurs: Just a couple of further things for some additional clarity. The manner in which we deal with the amendments is in part being determined by the Chair in light of a 1997 ruling, with which I have no dispute. As for the format in which the amendments were received by the Legislative Assembly staff in this instance, they were tabled in a fashion that's in accordance with the standing orders, I presume, or with the rules we have: in a paper submission for the purpose of amendments to be dually submitted to the House. Is that—I'm taking the nodding as being confirmation. Thus, although

the official opposition provided the Legislative Assembly committee staff with electronic copies of their amendments, which were nice to have, they didn't constitute the filing of the amendments. What constituted the filing of the amendments was the filing of the hard copy. Again, I'll stand to be corrected where I err.

On that basis—and just so I understand how many amendments we have before us—the official opposition filed some 300,000 hard-copy amendments, give or take—

Ms. Lisa MacLeod: Some 315,000 were filed in hard copy; 500,000 electronically.

Mr. Wayne Arthurs: Thus we have before the committee, unless I'm corrected, some 315,000 amendments. Just let me note the correct number for our purposes for committee: some 315,000 amendments filed by the official opposition, and I believe 14 by the third party? I see the clerks conferring. I'm just waiting to make sure.

The Vice-Chair (Mrs. Laura Albanese): They're conferring.

Mr. Wayne Arthurs: If I'm incorrect and, certainly, if they tell us that the electronic filing is an appropriate means by which we can function, then that's helpful to us all in the future.

Ms. Lisa MacLeod: Well, if it's not, we still do have 315,000—

Mr. Wayne Arthurs: The broader discussion about how we present them is something we should have upstairs one day.

Ms. Lisa MacLeod: We still have 315,000 that have been submitted in hard copy.

Mr. Wayne Arthurs: Agreed. And I think the discussion about how we present them here will be a great debate upstairs—

Ms. Lisa MacLeod: The question is, why are we thwarting the public's ability to get their motions heard? It's a simple thing. We have the capabilities here. We can't have one entity in this legislation where we're telling co-operative housing, "Yes, we'll allow you to come up to the 21st century; we're going to let you have electronic voting," and then here in this chamber, we're going to look at the people of Ontario and tell them, "Guess what? We filed your amendments—exactly what you told us you wanted—but because the Liberals have a majority and they don't want to hear the amendments, we're not going to see them." That's what's being heard right across the province right now.

The reality is, we have a right to bring these forward, a right to see these and a right to vote. Given the time constraints and, now, the technological constraints because you won't appease the simple request to have these viewed, we've now wasted almost three hours of clause-by-clause. In that same time, we don't even have the appropriate officials from the government to deal with some of the other acts that do not deal with the harmonized sales tax.

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs.

Mr. Wayne Arthurs: First of all, if there has been time ill-used today, I would suggest that each of us reflect upon the procedures that have been happening to determine how that time was ill-used. If, in effect, a committee or an individual member of the Legislature were to determine they would like to see some changes in the means by which a committee operates, I would think that would be a very interesting and important debate to have in the Legislative Assembly chamber on the format and use of electronics. Some of that has already occurred, at least preparation for it. But I think that would be a very good debate to have to help us come into the 21st century. Unfortunately, in my rather humble view, that's not a matter that this committee is charged with: making that determination of its own on a given bill. Electronic submission, electronic use: I think we should have that debate upstairs and move things into the 21st century. I'm happy to do that.

The Vice-Chair (Mrs. Laura Albanese): Any further debate?

Mr. Norm Miller: It has been almost three hours—I was in another committee prior to coming down here this afternoon—and we haven't discussed really any amendments at all. It seems like the government is just stalling through until whatever the time is on the time allocation motion when there can't be any discussion on amendments. As per the draconian time allocation motion, once you hit 5 o'clock, I think it is, "those amendments which have not yet been moved shall be deemed to have been moved." It seems to be the strategy of the government to waste time until we get to 5 o'clock so there can't be any discussion about various amendments. "Rag the puck" seems to be their strategy.

Mr. Wayne Arthurs: I suggest respectfully that the opposition hold up a mirror.

Ms. Lisa MacLeod: Well, no. Let's be clear. Let's be honest here. We received these amendments just right now. It is 10 to 5.

Mr. Wayne Arthurs: When did you submit them?

Ms. Lisa MacLeod: We submitted them today, because the filing deadline, because of your time allocation motion, was noon. So I would respectfully suggest—

Interjection.

Ms. Lisa MacLeod: Then, given all that, to add insult to injury, we're dealing with several schedules that do not have anything to do with the tax, that deserve their due diligence. I'm sorry, but I don't think people in the province expect us to just rush through your legislation. I think they expect us to go through it line by line given the fact that there's hidden information in here. It has never gone out to the public. People deserve to be heard on these issues.

Now we're going to be dealing with a major schedule, schedule G, about the treasury board and Ministry of Finance. It is massive, and it allows more powers for the finance minister. I think people ought to know about that.

If we're here till midnight, so be it. The reality is, you filibustered, in effect, our ability to get to our questions

because you refused to have these done through new technology.

The Vice-Chair (Mrs. Laura Albanese): Mr. Arthurs.

Mr. Wayne Arthurs: Chair, I respect the work that the clerk and staff have done during the course of today. It's a monumental task that they've undertaken. It was not the government that set this in motion. These amendments presumably could have been filed on Friday when the opposition held its press conference, and they had the amendments in hand. It certainly would have given the clerk considerably more time. Might I remind the official opposition that if one thinks of filibustering, it seems to me it was a member opposite, although not a subbed-in member of this committee, who called for the first recorded vote. It was Mr. Prue who suggested subsequently to expedite things—

Mr. Michael Prue: And you said no. You—

Mr. Wayne Arthurs: That's right; I did, because the official opposition had already set the stage that they wanted to have individual recorded votes. We were just complying with their request.

The Vice-Chair (Mrs. Laura Albanese): Any further comments? We shall proceed to schedule I, section 12. I call the vote on schedule I, section 12. All those in favour?

Ms. Lisa MacLeod: My understanding is that we were standing this down. Is that what the vote is?

The Vice-Chair (Mrs. Laura Albanese): Is there unanimous consent?

Mr. Wayne Arthurs: No.

Ms. Lisa MacLeod: You moved it. So you're not agreeing to your own motion?

Mr. Wayne Arthurs: I didn't have a seconder, so it's not—

Ms. Lisa MacLeod: I said I supported it. I gave a speech about it for about five minutes.

Interjection.

Ms. Lisa MacLeod: So you don't want the ministry officials then—just so that I'm correct, you don't want the people who are responsible for this bill to come in and talk to us?

Mr. Wayne Arthurs: They're not going to have the opportunity, because at 5 o'clock, this part will be closed.

Mr. Michael Prue: If I could, I still have a question for the finance officials who are here.

1650

The Vice-Chair (Mrs. Laura Albanese): That's fine.

Mr. Michael Prue: Could we call them forward?

The Vice-Chair (Mrs. Laura Albanese): Absolutely. If you could approach the table.

Mr. Michael Prue: My question is pretty similar to what I said before. In this upcoming budget, due March or April of this year, they may be cuts to a great many ministries. If one of those cuts is to the education ministry, at what level—2% reduction, 3% reduction, 4% reduction—will all of the school boards of Ontario find themselves in deficit?

Mr. James Sinclair: Unfortunately, Mr. Prue, I'm from the legal services division so I am not able to answer that.

Mr. Michael Prue: Nobody here can answer that question?

Mr. James Sinclair: I'm not aware that they can.

Mr. Michael Prue: Let me put it this way: If there are reductions to the money allocations to school boards in Ontario, may they well find themselves in deficit position and then be subject to the terms of this legislation—that is, being taken over?

Mr. James Sinclair: The intent of the amendments is to modernize the accounting for school boards. The provisions that we've been talking about, the provisions related to financial recovery plans, are all part of that, following consolidation of the school boards on the books of the province. The further intent was to move from a cash basis to an accrual basis for accounting.

Those are the pieces of this particular set of amendments that I can speak to, but I can't speak to, if there is a reduction in funding for schools, how that would impact them.

Mr. Michael Prue: The minister, though, does have authority under this to do anything he or she is authorized to do under division D or part VIII, which is to take over the boards if the minister is not satisfied, even if the boards do comply.

Mr. James Sinclair: I believe he has to have reasonable grounds to believe that it will show that the board is going to have an in-year deficit or an accumulated deficit.

Mr. Michael Prue: But reasonable grounds could quite easily be had if the money was withheld by the province.

Mr. James Sinclair: I can't comment on that.

The Vice-Chair (Mrs. Laura Albanese): We shall proceed to the vote for schedule I, section 12.

Mr. Michael Prue: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Norm Miller, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule I, section 13: Any comments? All those in favour?

Ms. Lisa MacLeod: I have a quick question. This has to deal with retirement funds and funds prescribed under the clause. So it's going to require restricting money for the board. Would the finance officials care to elaborate on that and provide a rationale on why they're repealing clause 257.34(2)(g) of the act?

The Vice-Chair (Mrs. Laura Albanese): Please proceed.

Mr. James Sinclair: The provision at section 13 allows for the establishment of a retirement fund or sinking fund to deal with school boards' debt.

I'm not certain I caught the rest of your question, so if you don't mind—

Ms. Lisa MacLeod: So right now, school boards don't have the ability to set aside for sinking funds, retirement funds and other funds described under the clause.

Mr. James Sinclair: This particular provision is—

Ms. Lisa MacLeod: Is it under the recovery plan?

Mr. James Sinclair: It is, but this particular provision at section 13 is dealing with some cross-reference issues in the existing legislation, so it's correcting cross-references and making a technical change to delete the reference to reserve funds and replacing that with sinking funds and retirement funds.

Ms. Lisa MacLeod: Okay. Thanks.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. So we will proceed to the vote. Schedule I, section 13—

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Norm Miller, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We'll now consider schedule I, section 14. Any comments?

All those in favour?

Interjection.

The Vice-Chair (Mrs. Laura Albanese): Opposed?

I have to repeat: All those in favour? All those opposed? Carried.

We shall move to schedule I, section 15. Any comments?

Ms. Lisa MacLeod: Could I have a recorded vote, please?

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Norm Miller, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule I, section 16: Any comments?

Ms. Lisa MacLeod: Just a recorded vote on this one, thanks.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Ms. MacLeod.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Norm Miller, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We'll move on to schedule I, section 17. Any comments?

Ms. Lisa MacLeod: Sure do: "...the act is amended by adding the following definition:

"'education development charge account' means an account established under subsection 257.82(1)...." and we have the definition of an education development reserve fund. So "reserve funds" are being struck out later on. Who gets to levy this education development charge account, or this charge, and where does the account begin? Who is paying for this account?

The Vice-Chair (Mrs. Laura Albanese): Do we have anybody from the ministry coming forward?

Mr. James Sinclair: I'm afraid I don't have an answer for that, Ms. MacLeod.

Ms. Lisa MacLeod: Okay. You know what? I really appreciate your hard work on this. I really do. I know it can't be easy.

Anybody from the government have an idea on what kind of account we're setting up with school boards? None?

Mr. James Sinclair: My understanding is that this is part of the move to accrual-based accounting, but not being an accountant, I just don't have an answer for you.

Ms. Lisa MacLeod: No, I appreciate this, but it's really frustrating. I mean, we all have school boards in our ridings. We all have trustees. I'm at a loss as to why there's not a ministry official here to go through clause-by-clause on this and work with us on these clauses. We're setting up funds, we're setting up finance recovery plans, and we don't have an answer from anyone in the government.

I hope you've done your homework on the HST, because you certainly haven't—you've let everyone down on this.

I'll call for a recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): I'll call the vote on schedule I, section 17. Recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Norm Miller, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

We'll consider now schedule I, section 18.

Ms. Lisa MacLeod: Could I have a recorded vote, just given the fact that we don't know what an education development charge account is? Perhaps our drafter knows. No, she didn't do the education. So we don't have anyone here at all. A recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Norm Miller, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

Schedule I, section 19.

Ms. Lisa MacLeod: I will call for a recorded vote again. It appears that nobody knows what we're voting for, so those who vote for it, I guess, are voting blindly. But I can't support this.

1700

The Vice-Chair (Mrs. Laura Albanese): Recorded vote.

Ayes

Arthurs, Hoskins, Naqvi, Pendergast, Sousa.

Nays

MacLeod, Norm Miller, Prue.

The Vice-Chair (Mrs. Laura Albanese): Carried.

It being 5 o'clock, I would remind all members that "At 5 p.m. on Monday, December 7, 2009, those amendments which have not yet been moved shall be deemed to have been moved, and the Chair of the committee shall interrupt the proceedings and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of the bill and any amendments thereto. The committee shall be authorized to meet beyond the normal hour of adjournment until completion of clause-by-clause consideration. Any division required shall be deferred until all remaining questions have been put and taken in succession with one 20-minute waiting period allowed pursuant to standing order 129(a)."

Mr. Michael Prue: One per caucus or one?

The Vice-Chair (Mrs. Laura Albanese): One.

So we'll now move to schedule I, section 20. All those in favour?

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): It will go for the next one; it has to be said before, "All those in favour?"

Ms. Lisa MacLeod: I just have a point of clarification. Are we able to ask questions about it?

The Vice-Chair (Mrs. Laura Albanese): There's no debate.

Ms. Lisa MacLeod: It's just straight voting? Okay.

The Vice-Chair (Mrs. Laura Albanese): Straight voting. Thank you.

All those in favour? Opposed? Carried.

We'll move on to schedule I, section 21.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Recorded vote. All recorded votes get stood down to the end. "Any division required shall be deferred until all remaining questions have been put and taken in succession with one 20-minute waiting period allowed."

So we'll now move on to section 22. All those in favour?

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section 23.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): So we'll now move to schedule J.

Schedule J, section 1.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule J, section 2.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section 3.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule J, section 4.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule J, section 5.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule J, section 6.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule J, section 7.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule J, section 8.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section 9.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section 10.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section 11.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section 12.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section 13.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section 14.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section 15.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section 16.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section 17.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Sections 18 through 33, inclusive.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): We shall move on to schedule K—

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): From section 1 through section 7.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): All that inclusively.

We shall move on, then, to section—

Ms. Lisa MacLeod: Madam Chair, I did not ask for it to be inclusive; I've asked for each clause to be voted on individually.

The Vice-Chair (Mrs. Laura Albanese): Yes, that's fine.

Schedule L, from section 1 to section 2.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): That's fine.

We'll move to schedule M, sections 1 and 2.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): We'll move on to schedule N, sections 1 to 5, inclusive.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule O, from section 1 to section 4.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule P, sections 1 and 2.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule Q, from section 1 to 2.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule R contains our first amendment.

Ms. Lisa MacLeod: Could we have a 20-minute recess?

The Vice-Chair (Mrs. Laura Albanese): You want to use the 20-minute recess now?

Ms. Lisa MacLeod: Yes.

Mr. Michael Prue: That's going to be an awfully long night.

The Vice-Chair (Mrs. Laura Albanese): So we're recessed for 20 minutes.

The committee recessed from 1705 to 1725.

The Vice-Chair (Mrs. Laura Albanese): We're back to deal with schedule R, section 1.

Mr. Wayne Arthurs: Point of order?

The Vice-Chair (Mrs. Laura Albanese): No points of order.

Mr. Wayne Arthurs: Okay.

The Vice-Chair (Mrs. Laura Albanese): Section 1, all those in favour?

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): That has to be said before that.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): All those against? Carried.

Now we'll consider schedule R, section 2. We have an NDP motion number 1 on page 150, schedule R, section 2, subsections 2.0.0.1(3) to (13) of the Retail Sales Tax Act. All those in favour?

Ms. Lisa MacLeod: Recorded vote, please. I had asked for a recorded vote since the moment we started looking through these. That's why I called for a 20-minute recess: so that everybody could find their places.

The Vice-Chair (Mrs. Laura Albanese): Just for clarity, we're dealing with—

Ms. Lisa MacLeod: Page 150, guys.

The Vice-Chair (Mrs. Laura Albanese): —page 150, NDP motion 1, schedule R.

Interjection: Recorded.

Ms. Lisa MacLeod: Yes, I called for one.

The Vice-Chair (Mrs. Laura Albanese): The recorded vote is already asked for. All those in favour?

Ms. Lisa MacLeod: Recorded vote, please.

Mr. Norm Miller: I thought you had the recorded vote at the end of these proceedings?

Ms. Lisa MacLeod: I thought recorded votes were at the end.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): Keep going?

Mr. Norm Miller: I'm sorry, aren't the recorded votes at the end of this proceeding, Madam Chair?

The Vice-Chair (Mrs. Laura Albanese): Recorded votes for the rest of the proceedings?

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): I'm asking the clerk for clarity here.

The Clerk pro tem (Ms. Tonia Grannum): Pursuant to the time allocation motion, you should go through each amendment and if you're requesting a recorded vote. And then at the end, we go back and start from where we left off.

Ms. Lisa MacLeod: Whoa, you can't keep changing the rules here. We started a different way.

The Clerk pro tem (Ms. Tonia Grannum): No debate.

Ms. Lisa MacLeod: I'm not debating; it's just that—

Interjection.

The Vice-Chair (Mrs. Laura Albanese): "Without further debate or amendment, put every question necessary to dispose of all remaining sections.... Any division required shall be deferred until all remaining questions have been put and taken in succession, with one 20-minute" recess, which we already had.

The Clerk pro tem (Ms. Tonia Grannum): So we're just going to go through, and you ask for your recorded

vote. We stand those down, and then we come back and do all the recorded votes to everything you've stood down.

The Vice-Chair (Mrs. Laura Albanese): Is that okay?

Mr. Michael Prue: So far we've asked for recorded votes on everything.

Mr. Norm Miller: At midnight, we'll be doing recorded votes.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): Okay. So schedule R, section 3.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): No, there is an amendment. I'm sorry.

Page 151, schedule R, section 2 of the bill—Retail Sales Tax Act, section 2.0.0.1, subsections (4.1) and (4.2).

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): We'll now move to schedule R, section 3. All those in favour?

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule R, section 4.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule R, section 5.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule R, section 6.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule R, section 7.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule R, section 8.

1730

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule R, section 9.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Schedule R, section 10.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section R, section 11.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section R, section 12.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section R, section 13.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section R, section 14.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section R, section 15.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section R, section 16.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Section R, section 17.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): We have an amendment—

Mr. Michael Prue: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): Page 152, schedule R, section 17, section 50 of the Retail Sales Tax Act.

Page 153, schedule R, section 17, subsection 51(2) of the Retail Sales Tax Act.

Ms. Lisa MacLeod: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): Page 154, schedule R, section 17, subsection 51(3) of the Retail Sales Tax Act.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): Page 155, schedule R, section 17, subsection 51(3) of the Retail Sales Tax Act.

Ms. Lisa MacLeod: Recorded vote, and may I ask where the additional—do you have a schedule? There should be a template that accompanies these, and is it possible to provide each member of this committee with a copy of that template?

The Vice-Chair (Mrs. Laura Albanese): One moment, please. I will confer with the clerk.

Ms. Lisa MacLeod: Madam Chair?

The Vice-Chair (Mrs. Laura Albanese): Copies are coming for all the members.

Ms. Lisa MacLeod: I appreciate that, but I'd also—

The Vice-Chair (Mrs. Laura Albanese): There's no debate. There's no debate.

Ms. Lisa MacLeod: But we all have the right to know what we're voting for. Simply having a copy here—

Interjections.

Ms. Lisa MacLeod: —I think is a breach of my parliamentary privilege. It's also a breach of every other member's parliamentary privilege.

The Vice-Chair (Mrs. Laura Albanese): A recorded vote was requested on page 155. All the copies are being provided to all the members. So we'll now—

Ms. Lisa MacLeod: I guess the question I have is, are you reading each motion, because home renovation—

The Vice-Chair (Mrs. Laura Albanese): I have no debate. I read that at 5 o'clock, and there's no debate.

So, on page 156, a PC motion—

Ms. Lisa MacLeod: A recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): —schedule R, section 17, subsection 51(3) of the Retail Sales Tax Act.

Ms. Lisa MacLeod: Recorded vote, please.

Mr. Wayne Arthurs: Chair, we don't have copies yet.

The Vice-Chair (Mrs. Laura Albanese): You don't have copies yet.

Ms. Lisa MacLeod: No, we don't, and we don't have copies of 156 either.

The Vice-Chair (Mrs. Laura Albanese): Would you like to recess until we get the copies?

Ms. Lisa MacLeod: Yes.

The Vice-Chair (Mrs. Laura Albanese): But we're not allowed.

Mr. Michael Prue: No, I don't think we can.

The Vice-Chair (Mrs. Laura Albanese): We're not allowed. I'm sorry. We have taken the recess already.

Do we want to stand this section down until we get the copies?

Ms. Lisa MacLeod: No.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): I'm being advised that since these have been stood down for a recorded vote, we'll get back to them, and then we'll have the copies.

Mr. Norm Miller: Madam Chair, this being 156?

The Vice-Chair (Mrs. Laura Albanese): Yes, 156, you've asked for a recorded vote, and I was ready to read 157. However, we were stopped because the members didn't have the copies.

Ms. Lisa MacLeod: My understanding is that you're supposed to read the entire resolution for 155, and we do have 380 pages to read for 155. You're supposed to read the whole thing. How can we defer a vote for home—

The Vice-Chair (Mrs. Laura Albanese): Only if requested.

Ms. Lisa MacLeod: I've requested.

The Vice-Chair (Mrs. Laura Albanese): Okay, 155.

Ms. Lisa MacLeod: We have 155.

The Vice-Chair (Mrs. Laura Albanese): So we're now on 156.

Mr. Norm Miller: Excuse me, Madam Chair, do you not have to, based on this 1997 precedent, read each amendment into the record, unless you have unanimous consent? I read from this 1997 ruling, that states: "This does not, however, mean that the amendment is also deemed to have been read from the Chair. Indeed, the reading from the Chair in this circumstance would be the first time the amendment has been heard. This is the practice that we have followed in the House. The Chair may only dispense with the reading of the amendment with unanimous consent, even in the face of a time allocation motion such as the one we are operating under."

It seems to me that you have to read each amendment into the record, based on that 1997 ruling.

The Vice-Chair (Mrs. Laura Albanese): The clerks are conferring; one second.

1740

It seems like we're getting some clarity here. This is the template. So I will read the template once—155 is already done, so I will read it for 156. As you can see, we have the dollar amount that is indicated there. We shall deal with that—

Mr. Wayne Arthurs: We still don't have 155 for our members.

The Vice-Chair (Mrs. Laura Albanese): We've already ruled at the beginning, when I read: At my direction, committee members will be provided with a package of amendments and, where appropriate, with the shell or template of multiple amendments, all of which were filed by the deadline.

So, if we look, for example, on page 156 and 157, this is the shell—

Ms. Lisa MacLeod: But you need unanimous consent for that.

The Vice-Chair (Mrs. Laura Albanese): —and as you can see, the dollar amount is not indicated. That is the ruling that we've made. So that's how we're going to proceed.

Mr. Norm Miller: It seems to me, Madam Chair, that you need unanimous consent to be able to bundle amendments together like that.

The Vice-Chair (Mrs. Laura Albanese): No. It was read in. I believe you were not here, Mr. Miller, when we read this, but it was read quite a while ago—

Mr. Norm Miller: Did you get unanimous consent for that, Madam Chair?

The Vice-Chair (Mrs. Laura Albanese): I believe there was a discussion on it that followed—

Ms. Lisa MacLeod: But the problem is, if we're going to follow Stockwell's ruling back in 1997, he says, right there, "The fundamental parliamentary principle"—

The Vice-Chair (Mrs. Laura Albanese): I can't allow any debate, so we'll proceed with page 156, PC motion, schedule R, section 17, subsection 51(3) of the Retail Sales Tax Act.

"I move that subsection 51(3) of the"—

Ms. Lisa MacLeod: Point of order.

The Vice-Chair (Mrs. Laura Albanese): —"Retail Sales Tax Act, as set out in section 17 of schedule R"—

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): —"to the bill, be amended by adding the following paragraph...."

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): Recorded vote?

We'll move on to page 157.

Ms. Lisa MacLeod: Are we receiving packages for each one of these?

The Vice-Chair (Mrs. Laura Albanese): Schedule R, section 17, subsection 51(3) of the Retail Sales Tax Act.

"I move"—

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): —"that subsection 51(3) of the Retail Sales Tax Act"—

Ms. Lisa MacLeod: We would like a package and then a recorded vote, and we would like it all read into the record.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): I'm getting a different direction from the clerk at this moment.

So we are now going back to page 155, and I will read the motion again.

PC motion number 1, schedule R, section 17, subsection 51(3) of the Retail Sales Tax Act.

The first dollar amount—you have the template in front of you, which you can read, and I will read the dollar amount. In this case, it would be home renovations with a value of $0.01.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.02.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.03.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.04.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.05.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.06.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.07.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.08.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.09.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.10.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.11.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.12.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.13.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.14.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.15.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.16.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.17.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.18.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.19.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.20.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.21.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.22.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.23.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.24. $0.25.

Mr. Norm Miller: Recorded vote.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): $0.26.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.27.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.28.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.29.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.30.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.31.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.32.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.33.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.34.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.35.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.36.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.37.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.38.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.39.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.40.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.41.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.42.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.43.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.44.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.45.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.46.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.47.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.48.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.49.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.50.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.51.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.52.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.53.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.54.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.55.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.56.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.57.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.58.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.59.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.60.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.61.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.62.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.63.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.64.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.65.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.66.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.67.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.68.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.69.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.70.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.71.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.72.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.73.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.74.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.75.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.76.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.77.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.78.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.79.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.80.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.81.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.82.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.83.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.84.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.85.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.86.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.87.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.88.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.89.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.90.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.91.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.92.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.93.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.94.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.95.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.96.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.97.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.98.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $0.99.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.00.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.01.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.02.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.03.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.04.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.57.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.58. It jumps.

1750

Ms. Lisa MacLeod: I think we jumped a little bit here.

Mr. Michael Prue: You missed a whole bunch.

The Vice-Chair (Mrs. Laura Albanese): Oh, I'm sorry. I was in the wrong column.

Ms. Lisa MacLeod: You know what? I'll just move recorded vote on all of them, and we can keep going from where you're at.

The Vice-Chair (Mrs. Laura Albanese): I have to keep calling them. I apologize. After $1.04, it's $1.05.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.06.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.07.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.08.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.09.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.10.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.11.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.12.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.13.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.14.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.15.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.16.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.17.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.18.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.19.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.20.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.21.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.22.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.23.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.24.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.25.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.26.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.27.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.28.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.29.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.30.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.31.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.32.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.33.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.34.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.35.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.36.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.37.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.38.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.39.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.40.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.41.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.42.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.43.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.44.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.45.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.46.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.47.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.48.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.49.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.50.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.51.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.52.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.53.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.54.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.55.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.56.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.57.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.58.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.59.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.60.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.61.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.62.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.63.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.64.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.65.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.66.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.67.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $1.68.
Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.69.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.70.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.71.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.72.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.73.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.74.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.75.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.76.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.77.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.78.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.79.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.80.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.81.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.82.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.83.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.84.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.85.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.86.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.87.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.88.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.89.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.90.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.91.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.92.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.93.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.94.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.95.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.96.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.97.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.98.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $1.99.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.00.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.01.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.02.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.03.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.04.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.05.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.06.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.07.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.08.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.09.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.10.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.11.

Ms. Lisa MacLeod: At the risk of sounding like a broken record, recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.12.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.13.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.14.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.15.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.16.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.17.

Ms. Lisa MacLeod: Recorded.

The Vice-Chair (Mrs. Laura Albanese): $2.18.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.19.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.20.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.21.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.22.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.23.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.24.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.25.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.26.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.27.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.28.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.29.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.30.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.31.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.33.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.34.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.35.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.36.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.37.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.38.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.39.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.40.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.41.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.42.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.43.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.44.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.45.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.46.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.47.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.48.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.49.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.50.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.51.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.52.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.53.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.54.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.55.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.56.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.57.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.58.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.59.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.60.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.61.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.62.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.63.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.64.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.65.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.66.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.67.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.68.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.69.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.70.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.71.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.72.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.73.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.74, $2.75, $2.76, $2.77, $2.78, $2.79, $2.80, $2.81, $2.82, $2.83, $2.84, $2.85, $2.86, $2.87, $2.88, $2.89, $2.90.

Ms. Lisa MacLeod: Are we supposed to be voting on these?

Interjections.

The Vice-Chair (Mrs. Laura Albanese): So we're supposed to be voting on these. Oh, okay. Sorry. So $2.74.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.75.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.76.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.77.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.78.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.79.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.80.

Mr. Wayne Arthurs: Recorded vote.

Ms. Lisa MacLeod: Wayne, I didn't know you were going to cross the floor.

The Vice-Chair (Mrs. Laura Albanese): $2.81.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.82.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $2.83.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $2.84.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $2.85.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $2.86.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $2.87.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $2.88.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $2.89.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $2.90.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $2.91.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $2.92.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $2.93.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $2.94.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $2.95.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $2.96.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $2.97.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $2.98.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $2.99.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.00.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.01.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.02.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.03.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.04.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.05.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.06.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.07.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.08.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.09.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.10.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.11.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.12.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.13.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.14.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.15.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.16.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.17.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.18.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.19.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.20.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.21.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.22.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.23.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.24.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.25.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.26.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.27.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.28.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.29.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.30.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.31.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.32.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.33.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.34.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.35.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.36.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.37.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.38.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.39.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.40.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.41.
Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $3.42.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.43.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.44.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.45.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.46.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.47.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.48.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.49.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.50.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.51.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.52.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.53.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.54.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.55.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.56.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.57.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.58.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.59.
Mr. Wayne Arthurs: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.60.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.61.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.62.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.63.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.64.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.65.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.66.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.67.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.68.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.69.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.70.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.71.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.72.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.73.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.74.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.75.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.76.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.77.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.78.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.79.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.80.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.81.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.82.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.83.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.84.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.85.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.86.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.87.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.88.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.89.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.90.
Ms. Lisa MacLeod: Recorded.
The Vice-Chair (Mrs. Laura Albanese): $3.91.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.92.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.93.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.94.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.95.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.96.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.97.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.98.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $3.99.
Ms. Lisa MacLeod: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $4.00.
Ms. Lisa MacLeod: Recorded vote. They should be—

The Vice-Chair (Mrs. Laura Albanese): $4.01.

Ms. Lisa MacLeod: —exempted at the Tim Hortons too.

The Vice-Chair (Mrs. Laura Albanese): $4.02.

Interjection: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.03.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.04.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.05.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.06.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.07.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.08.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.09.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.10.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.11.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.12.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.13.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.14.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.15.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.16.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.17.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.18.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.19.

1800

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.20.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.21.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.22.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.23.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.24.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.25.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.26.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.27.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.28.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.29.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.30.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.31.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.32.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.33.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.34.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.35.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.36.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.37.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.38.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.39.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.40.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.41.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.42.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.43.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.44.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.45.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.46.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.47.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.48.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.49.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.50.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.51.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.52.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.53.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.54.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.55.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.56.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.57.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.58.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.59.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.60.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.61.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.62.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.63.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.64.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.65.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.66.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.67.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.68.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.69.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.70.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.71.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.72.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.73.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.74.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.75.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.76.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.77.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.78.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.79.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.80.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.81.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.82.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.83.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.84.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.85.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.86.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.87.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.88.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.89.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.90.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.91.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.92.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.93.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.94.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.95.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.96.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.97.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.98.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $4.99.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.00.

Ms. Lisa MacLeod: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.01.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.02.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.03.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.04.

Mr. Wayne Arthurs: Recorded vote.

Ms. Lisa MacLeod: You're looking after me, Wayne. Thank you.

The Vice-Chair (Mrs. Laura Albanese): $5.05.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.06.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.07.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.08.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.09.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.10.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.11.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.12.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.13.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.14.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.15.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.16.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.17.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.18.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.19.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.20.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.21.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.22.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.23.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.24.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.25.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.26.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.27.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.28.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.29.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.30.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.31.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.32.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.33.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.34.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.35.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.36.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.37.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.38.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.39.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.40.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.41.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.42.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.43.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.44.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.45.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.46.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.47.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.48.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.49.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.50.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.51.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.52.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.53.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.54.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.55.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.56.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.57.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.58.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.59.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.60.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.61.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.62.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.63.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.64.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.65.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.66.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.67.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.68.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.69.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.70.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.71.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.72.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.73.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.74.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.75.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $5.76.

Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.77.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.78.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.79.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.80.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.81.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.82.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.83.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.84.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.85.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.86.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.87.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.88.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.89.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.90.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.91.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.92.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.93.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.94.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.95.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.96.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.97.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.98.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $5.99.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.00.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.01.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.02.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.03.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.04.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.05.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.06.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.07.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.08.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.09.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.10.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.11.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.12.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.13.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.14.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.15.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.16.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.17.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.18.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.19.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.20.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.21.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.22.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.23.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.24.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.25.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.26.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.27.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.28.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.29.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.30.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.31.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.32.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.33.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.34.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.35.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.36.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.37.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.38.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.39.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.40.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.41.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.42.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.43.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.44.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.45.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.46.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.47.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.48.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.49.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.50.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.51.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.52.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.53.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.54.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.55.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.56.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.57.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.58.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.59.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.60.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.61.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.62.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.63.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.64.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.65.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.66.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.67.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.68.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.69.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.70.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.71.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.72.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.73.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.74.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.75.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.76.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.77.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.78.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.79.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.80.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.81.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.82.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.83.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.84.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.85.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.86.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.87.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.88.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.89.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.90.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.91.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.92.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.93.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $6.94.

Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.95.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.96.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.97.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.98.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $6.99.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.00.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.01.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.02.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.03.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.04.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.05.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.06.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.07.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.08.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.09.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.10.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.11.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.12.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.13.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.14.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.15.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.16.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.17.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.18.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.19.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.20.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.21.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.22.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.23.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.24.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.25.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.26.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.27.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.28.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.29.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.30.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.31.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.32.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.33.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.34.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.35.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.36.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.37.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.38.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.39.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.40.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.41.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.42.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.43.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.44.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.45.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.46.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.47.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.48.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.49.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.50.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.51.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.52.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $7.53.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.54.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.55.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.56.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.57.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.58.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.59.

Mr. Norm Miller: Recorded vote.

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The Vice-Chair (Mrs. Laura Albanese): $7.60.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.61.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.62.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.63.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.64.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.65.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.66.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.67.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.68.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.69.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.70.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.71.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.72.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.73.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.74.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.75.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.76.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.77.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.78.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.79.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.80.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.81.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.82.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.83.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.84.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.85.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.86.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.87.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.88.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.89.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.90.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.91.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.92.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.93.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.94.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.95.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.96.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.97.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.98.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $7.99.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.00.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.01.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.02.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.03.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.04.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.05.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.06.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.07.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.08.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.09.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.10.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.11.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.12.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.13.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.14.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.15.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.16.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.17.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.18.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.19.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.20.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.21.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.22.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.23.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.24.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.25.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.26.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.27.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.28.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.29.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.30.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.31.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.32.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.33.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.34.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.35.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.36.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.37.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.38.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.39.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.40.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.41.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.42.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.43.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.44.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.45.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.46.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.47.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.48.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.49.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.50.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.51.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.52.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.53.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.54.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.55.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.56.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.57.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.58.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.59.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.60.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.61.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.62.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.63.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.64.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.65.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.66.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.67.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.68.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.69.
Mr. Norm Miller: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $8.70.
Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.71.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.72.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.73.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.74.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.75.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.76.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.77.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.78.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.79.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.80.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.81.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.82.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.83.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.84.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.85.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.86.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.87.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.88.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.89.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.90.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.91.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.92.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.93.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.94.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.95.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.96.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.97.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.98.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $8.99.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.00.

Mr. Norm Miller: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.01.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.02.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.03.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.04.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.05.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.06.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.07.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.08.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.09.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.10.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.11.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.12.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.13.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.14.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.15.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.16.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.17.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.18.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.19.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.20.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.21.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.22.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.23.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.24.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.25.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.26.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.27.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.28.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.29.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.30.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.31.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.32.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.33.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.34.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.35.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.36.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.37.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.38.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.39.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.40.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.41.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.42.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.43.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.44.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.45.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.46.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.47.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.48.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.49.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.50.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.51.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.52.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.53.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.54.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.55.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.56.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.57.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.58.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.59.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.60.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.61.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.62.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.63.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.64.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.65.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.66.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.67.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.68.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.69.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.70.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.71.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.72.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.73.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.74.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.75.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.76.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.77.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.78.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.79.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.80.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.81.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.82.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.83.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.84.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.85.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.86.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.87.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $9.88.
Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.89.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.90.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.91.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.92.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.93.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.94.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.95.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.96.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.97.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.98.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $9.99.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.00.

Mr. Wayne Arthurs: Recorded vote.

Ms. Lisa MacLeod: I'm going to the Home Depot right now.

The Vice-Chair (Mrs. Laura Albanese): $10.01.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.02.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.03.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.04.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.05.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.06.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.07.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.08.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.09.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.10.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.11.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.12.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.13.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.14.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.15.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.16.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.17.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.18.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.19.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.20.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.21.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.22.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.23.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.24.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.25.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.26.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.27.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.28.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.29.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.30.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.31.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.32.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.33.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.34.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.35.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.36.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.37.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.38.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.39.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.40.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.41.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.42.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.43.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.44.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.45.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.46.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.47.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.48.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.49.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.50.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.51.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.52.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.53.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.54.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.55.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.56.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.57.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.58.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.59.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.60.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.61.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.62.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.63.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.64.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.65.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.66.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.67.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.68.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.69.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.70.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.71.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.72.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.73.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.74.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.75.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.76.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.77.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.78.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.79.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.80.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.81.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.82.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.83.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.84.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.85.

Mr. Wayne Arthurs: Recorded vote.

1820

The Vice-Chair (Mrs. Laura Albanese): $10.86.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.87.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.88.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.89.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.90.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.91.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.92.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.93.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.94.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.95.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.96.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.97.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.98.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $10.99.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.00.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.01.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.02.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.03.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.04.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.05.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.06.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.07.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.08.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.09.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.10.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.11.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.12.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.13.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.14.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.15.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.16.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.17.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.18.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.19.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.20.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.21.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.22.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.23.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.24.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.25.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.26.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.27.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.28.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.29.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.30.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.31.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.32.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.33.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.34.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.35.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.36.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.37.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.38.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.39.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.40.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.41.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.42.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.43.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.44.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.45.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.46.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.47.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.48.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.49.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.50.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): One second.

$11.51.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.52.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.53.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.54.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.55.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.56.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.57.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.58.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.59.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.60.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.61.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.62.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $11.63.

Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.64.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.65.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.66.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.67.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.68.
Mr. Wayne Arthurs: Recorded vote, please.
The Vice-Chair (Mrs. Laura Albanese): $11.69.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.70.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.71.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.72.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.73.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.74.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.75.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.76.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.77.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.78.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.79.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.80.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.81.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.82.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.83.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.84.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.85.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.86.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.87.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.88.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.89.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.90.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.91.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.92.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.93.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.94.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.95.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.96.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.97.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.98.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $11.99.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.00.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.01.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.02.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.03.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.04.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.05.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.06.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.07.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.08.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.09.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.10.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.11.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.12.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.13.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.14.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.15.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.16.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.17.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.18.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.19.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.20.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.21.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.22.

Mr. Wayne Arthurs: A recorded vote, please.
The Vice-Chair (Mrs. Laura Albanese): $12.23.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.24.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.25.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.26.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.27.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.28.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.29.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.30.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.31.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.32.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.33.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.34.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.35.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.36.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.37.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.38.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.39.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.40.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.41.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.42.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.43.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.44.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.45.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.46.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.47.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.48.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.49.
Mr. Wayne Arthurs: Recorded vote, please.
The Vice-Chair (Mrs. Laura Albanese): $12.50.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.51.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.52.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.53.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.54.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.55.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.56.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.57.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.58.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.59.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.60.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.61.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.62.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.63.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.64.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.65.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.66.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.67.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.68.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.69.
Mr. Wayne Arthurs: Recorded vote, please.
The Vice-Chair (Mrs. Laura Albanese): $12.70.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.71.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.72.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.73.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.74.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.75.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.76.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.77.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.78.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.79.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.80.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.81.

Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.82.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.83.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.84.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.85.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.86.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.87.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.88.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.89.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.90.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.91.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.92.
Mr. Wayne Arthurs: Recorded vote, please.
The Vice-Chair (Mrs. Laura Albanese): $12.93.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.94.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.95.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.96.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.97.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.98.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $12.99.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.00.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.01.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.02.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.03.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.04.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.05.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.06.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.07.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.08.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.09.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.10.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.11.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.12.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.13.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.14.
Mr. Wayne Arthurs: Recorded vote, please.
The Vice-Chair (Mrs. Laura Albanese): $13.15.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.16.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.17.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.18.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.19.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.20.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.21.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.22.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.23.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.24.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.25.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.26.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.27.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.28.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.29.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.30.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.31.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.32.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.33.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.34.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.35.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.36.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.37.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.38.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.39.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $13.40.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $13.41.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $13.42.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $13.43.

Mr. Wayne Arthurs: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): $13.44.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $13.45.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $13.46.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $13.47.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $13.48.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $13.49.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $13.50.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $13.51.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $13.52.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): One page is done.

Mr. Michael Prue: One page, yes.

The Vice-Chair (Mrs. Laura Albanese): I will take a break and Ms. Sandals will take my place for a little while.

The Acting Chair (Mrs. Liz Sandals): $13.53.

Mr. Yasir Naqvi: Recorded vote.

1830

The Acting Chair (Mrs. Liz Sandals): $13.54.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.55.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.56.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.57.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.58.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.59.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.60.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.61.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.62.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.63.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.64.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.65.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.66.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.67.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.68.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.69.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.70.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.71.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.72.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.73.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.74.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.75.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.76.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.77.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.78.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.79.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.80.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.81.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.82.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.83.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.84.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.85.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.86.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.87.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.88.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.89.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.90.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.91.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.92.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.93.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.94.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.95.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $13.96.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $13.97.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $13.98.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $13.99.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.00.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.01.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.02.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.03.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.04.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.05.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.06.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.07.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.08.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.09.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.10.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.11.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.12.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.13.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.14.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.15.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.16.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.17.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.18.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.19.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.20.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.21.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.22.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.23.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.24.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.25.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.26.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.27.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.28.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.29.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.30.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.31.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.32.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.33.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.34.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.35.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.36.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.37.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.38.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.39.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.40.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.41.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.42.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.43.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.44.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.45.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.46.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.47.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.48.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.49.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.50.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.51.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.52.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.53.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.54.
Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $14.55.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.56.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.57.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.58.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.59.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.60.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.61.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.62.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.63.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.64.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.65.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.66.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.67.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.68.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.69.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.70.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.71.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.72.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.73.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.74.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.75.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.76.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.77.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.78.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.79.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.80.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.81.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.82.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.83.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.84.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.85.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.86.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.87.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.88.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.89.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.90.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.91.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.92.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.93.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.94.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.95.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.96.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.97.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.98.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $14.99.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.00.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.01.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.02.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.03.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.04.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.05.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.06.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.07.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.08.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.09.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.10.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.11.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.12.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $15.13.
Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.14.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.15.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.16.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.17.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.18.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.19.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.20.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.21.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.22.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.23.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.24.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.25.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.26.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.27.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.28.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.29.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.30.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.31.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.32.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.33.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.34.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.35.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.36.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.37.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.38.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.39.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.40.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.41.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.42.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.43.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.44.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.45.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.46.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.47.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.48.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.49.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.50.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.51.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.52.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.53.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.54.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.55.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.56.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.57.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.58.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.59.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.60.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.61.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.62.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.63.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.64.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.65.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.66.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.67.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.68.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.69.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.70.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.71.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.72.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.73.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.74.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.75.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.76.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.77.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.78.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.79.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.80.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.81.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.82.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.83.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.84.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.85.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.86.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.87.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.88.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.89.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.90.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.91.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.92.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.93.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.94.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.95.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.96.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.97.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.98.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $15.99.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): Sixteen hundred.

Mr. Yasir Naqvi: Recorded vote.

Ms. Lisa MacLeod: That's actually only $16.00.

The Acting Chair (Mrs. Liz Sandals): Sorry; $16.00. $16.01.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.02.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.03.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.04.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.05.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.06.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.07.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.08.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.09.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.10.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.11.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.12.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.13.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.14.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.15.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.16.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.17.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.18.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.19.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.20.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.21.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.22.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.23.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.24.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.25.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.26.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.27.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.28.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.29.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.30.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.31.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.32.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.33.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.34.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.35.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.36.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.37.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.38.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.39.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.40.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.41.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.42.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.43.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.44.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.45.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.46.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.47.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.48.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.49.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.50.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.51.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.52.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.53.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.54.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.55.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.56.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.57.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.58.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.59.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.60.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.61.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.62.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.63.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.64.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.65.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.66.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.67.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.68.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.69.

Mr. Yasir Naqvi: Recorded vote.

1840

The Acting Chair (Mrs. Liz Sandals): $16.70.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.71.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.72.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.73.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.74.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.75.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.76.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.77.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.78.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.79.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.80.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.81.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.82.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.83.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.84.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.85.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.86.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.87.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.88.

Ms. Lisa MacLeod: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $16.89.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $16.90.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $16.91.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $16.92.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $16.93.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $16.94.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $16.95.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $16.96.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $16.97.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $16.98.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $16.99.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.00.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.01.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.02.
Ms. Lisa MacLeod: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.03.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.04.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.05.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.06.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.07.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.08.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.09.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.10.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.11.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.12.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.13.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.14.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.15.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.16.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.17.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.18.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.19.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.20.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.21.
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The Acting Chair (Mrs. Liz Sandals): $17.22.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.23.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.24.
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The Acting Chair (Mrs. Liz Sandals): $17.25.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.26.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.27.
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The Acting Chair (Mrs. Liz Sandals): $17.28.
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The Acting Chair (Mrs. Liz Sandals): $17.29.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.30.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.31.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.32.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.33.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.34.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.35.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.36.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.37.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.38.
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The Acting Chair (Mrs. Liz Sandals): $17.39.
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The Acting Chair (Mrs. Liz Sandals): $17.40.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.41.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.42.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.43.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.44.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.45.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.46.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $17.47.
Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.48.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.49.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.50.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.51.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.52.

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The Acting Chair (Mrs. Liz Sandals): $17.53.

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The Acting Chair (Mrs. Liz Sandals): $17.56.

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The Acting Chair (Mrs. Liz Sandals): $17.57.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.58.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.59.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.60.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.61.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.62.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.63.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.64.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.65.

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The Acting Chair (Mrs. Liz Sandals): $17.66.

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The Acting Chair (Mrs. Liz Sandals): $17.67.

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The Acting Chair (Mrs. Liz Sandals): $17.70.

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The Acting Chair (Mrs. Liz Sandals): $17.71.

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The Acting Chair (Mrs. Liz Sandals): $17.72.

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The Acting Chair (Mrs. Liz Sandals): $17.73.

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The Acting Chair (Mrs. Liz Sandals): $17.74.

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The Acting Chair (Mrs. Liz Sandals): $17.75.

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The Acting Chair (Mrs. Liz Sandals): $17.86.

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The Acting Chair (Mrs. Liz Sandals): $17.92.

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The Acting Chair (Mrs. Liz Sandals): $17.93.

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The Acting Chair (Mrs. Liz Sandals): $17.94.

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The Acting Chair (Mrs. Liz Sandals): $17.95.

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The Acting Chair (Mrs. Liz Sandals): $17.96.

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The Acting Chair (Mrs. Liz Sandals): $17.97.

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The Acting Chair (Mrs. Liz Sandals): $17.98.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $17.99.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.00.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.01.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.02.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.03.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.04.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.05.

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The Acting Chair (Mrs. Liz Sandals): $18.06.

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The Acting Chair (Mrs. Liz Sandals): $18.07.

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The Acting Chair (Mrs. Liz Sandals): $18.10.

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The Acting Chair (Mrs. Liz Sandals): $18.11.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.12.

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The Acting Chair (Mrs. Liz Sandals): $18.13.

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The Acting Chair (Mrs. Liz Sandals): $18.14.

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The Acting Chair (Mrs. Liz Sandals): $18.15.

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The Acting Chair (Mrs. Liz Sandals): $18.16.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.17.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.18.

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The Acting Chair (Mrs. Liz Sandals): $18.19.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.20.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.21.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.22.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.23.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.24.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.25.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.26.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.27.

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The Acting Chair (Mrs. Liz Sandals): $18.28.

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The Acting Chair (Mrs. Liz Sandals): $18.29.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.30.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.31.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.32.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.33.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.34.

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The Acting Chair (Mrs. Liz Sandals): $18.35.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.36.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.37.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.38.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.39.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.40.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.41.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.42.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.43.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.44.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.45.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.46.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.47.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.48.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.49.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.50.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.51.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.52.

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The Acting Chair (Mrs. Liz Sandals): $18.53.

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The Acting Chair (Mrs. Liz Sandals): $18.56.

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The Acting Chair (Mrs. Liz Sandals): $18.57.

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The Acting Chair (Mrs. Liz Sandals): $18.58.

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The Acting Chair (Mrs. Liz Sandals): $18.59.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.60.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.61.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.62.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.63.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.64.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.65.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.66.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.67.

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The Acting Chair (Mrs. Liz Sandals): $18.68.

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The Acting Chair (Mrs. Liz Sandals): $18.70.

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The Acting Chair (Mrs. Liz Sandals): $18.71.

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The Acting Chair (Mrs. Liz Sandals): $18.72.

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The Acting Chair (Mrs. Liz Sandals): $18.73.

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The Acting Chair (Mrs. Liz Sandals): $18.74.

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The Acting Chair (Mrs. Liz Sandals): $18.75.

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The Acting Chair (Mrs. Liz Sandals): $18.76.

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The Acting Chair (Mrs. Liz Sandals): $18.81.

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The Acting Chair (Mrs. Liz Sandals): $18.82.

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The Acting Chair (Mrs. Liz Sandals): $18.84.

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The Acting Chair (Mrs. Liz Sandals): $18.85.

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The Acting Chair (Mrs. Liz Sandals): $18.86.

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The Acting Chair (Mrs. Liz Sandals): $18.87.

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The Acting Chair (Mrs. Liz Sandals): $18.88.

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The Acting Chair (Mrs. Liz Sandals): $18.89.

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The Acting Chair (Mrs. Liz Sandals): $18.90.

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The Acting Chair (Mrs. Liz Sandals): $18.92.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $18.93.

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The Acting Chair (Mrs. Liz Sandals): $18.94.

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The Acting Chair (Mrs. Liz Sandals): $18.99.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.00.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.01.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.02.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.03.

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The Acting Chair (Mrs. Liz Sandals): $19.04.

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The Acting Chair (Mrs. Liz Sandals): $19.12.

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The Acting Chair (Mrs. Liz Sandals): $19.16.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.17.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.18.

Mrs. Maria Van Bommel: Recorded vote.

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The Acting Chair (Mrs. Liz Sandals): $19.19.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.20.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.21.

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The Acting Chair (Mrs. Liz Sandals): $19.31.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.32.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.33.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.34.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.35.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.36.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.37.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.38.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.39.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.40.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.41.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.42.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.43.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.44.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.45.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.46.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.47.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.48.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.49.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.50.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.51.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.52.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.53.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.54.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.55.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.56.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.57.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.58.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.59.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.60.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.61.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.62.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.63.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.64.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.65.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.66.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.67.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.68.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.69.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.70.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.71.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.72.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.73.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.74.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.75.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.76.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.77.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.78.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.79.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.80.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.81.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.82.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $19.83.

Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.84.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.85.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.86.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.87.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.88.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.89.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.90.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.91.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.92.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.93.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.94.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.95.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.96.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.97.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.98.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $19.99.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.00.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.01.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.02.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.03.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.04.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.05.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.06.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.07.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.08.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.09.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.10.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.11.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.12.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.13.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.14.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.15.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.16.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.17.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.18.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.19.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.20.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.21.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.22.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.23.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.24.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.25.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.26.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.27.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.28.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.29.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.30.
Mrs. Maria Van Bommel: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.31.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.32.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.33.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.34.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.35.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.36.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.37.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.38.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.39.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.40.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.41.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $20.42.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.43.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.44.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.45.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.46.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.47.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.48.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.49.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.50.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.51.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.52.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.53.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.54.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.55.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.56.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.57.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.58.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.59.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.60.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.61.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.62.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.63.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.64.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.65.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.66.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.67.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.68.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.69.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.70.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.71.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.72.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.73.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.74.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.75.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.76.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.77.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.78.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.79.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.80.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.81.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.82.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.83.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.84.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.85.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.86.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.87.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.88.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.89.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.90.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.91.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.92.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.93.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.94.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.95.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.96.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.97.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.98.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $20.99.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.00.

Ms. Leeanna Pendergast: Recorded vote, please.

The Acting Chair (Mrs. Liz Sandals): $21.01.

Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.02.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.03.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.04.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.05.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.06.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.07.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.08.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.09.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.10.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.11.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.12.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.13.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.14.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.15.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.16.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.17.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.18.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.19.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.20.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.21.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.22.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.23.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.24.
Ms. Leeanna Pendergast: Recorded vote, please.
The Acting Chair (Mrs. Liz Sandals): $21.25.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.26.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.27.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.28.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.29.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.30.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.31.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.32.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.33.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.34.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.35.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.36.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.37.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.38.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.39.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.40.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.41.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.42.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.43.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.44.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.45.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.46.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.47.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.48.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.49.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.50.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.51.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.52.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.53.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.54.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.55.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.56.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.57.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.58.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.59.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $21.60.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.61.

Ms. Leeanna Pendergast: Recorded vote, please.

The Acting Chair (Mrs. Liz Sandals): $21.62.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.63.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.64.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.65.

Ms. Leeanna Pendergast: Recorded vote.

1900

The Acting Chair (Mrs. Liz Sandals): $21.66.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.67.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.68.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.69.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.70.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.71.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.72.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.73.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.74.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.75.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.76.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.77.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.78.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.79.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.80.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.81.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.82.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.83.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.84.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.85.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.86.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.87.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.88.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.89.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.90.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.91.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.92.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.93.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.94.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.95.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.96.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.97.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.98.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $21.99.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.00.

Mrs. Maria Van Bommel: Recorded vote, please.

The Acting Chair (Mrs. Liz Sandals): $22.01.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.02.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.03.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.04.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.05.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.06.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.07.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.08.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): 22.09.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.10.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.11.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.12.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.13.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.14.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.15.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.16.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.17.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.18.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.19.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.20.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.21.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.22.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.23.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.24.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.25.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.26.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.27.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.28.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.29.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.30.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.31.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.32.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.33.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.34.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.35.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.36.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.37.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.38.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.39.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.40.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.41.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.42.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.43.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.44.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.45.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.46.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.47.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.48.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.49.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.50.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.51.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.52.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.53.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.54.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.55.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.56.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.57.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.58.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.59.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.60.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.61.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.62.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.63.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.64.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.65.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.66.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.67.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.68.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.69.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.70.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.71.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.72.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.73.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.74.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.75.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.76.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.77.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.78.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.79.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.80.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.81.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.82.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.83.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.84.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.85.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.86.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.87.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.88.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.89.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.90.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.91.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.92.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.93.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.94.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.95.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.96.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.97.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.98.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $22.99.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.00.

Mrs. Maria Van Bommel: Recorded vote, please.

The Acting Chair (Mrs. Liz Sandals): $23.01.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.02.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.03.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.04.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.05.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.06.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.07.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.08.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.09.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.10.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.11.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.12.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.13.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.14.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.15.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.16.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.17.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.18.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.19.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.20.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.21.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.22.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.23.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.24.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.25.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.26.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.27.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.28.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.29.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.30.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.31.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.32.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.33.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.34.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.35.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.36.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.37.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.38.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.39.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.40.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.41.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.42.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.43.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.44.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.45.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.46.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.47.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.48.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.49.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.50.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.51.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.52.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.53.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.54.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.55.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.56.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.57.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.58.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.59.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.60.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.61.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.62.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.63.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.64.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.65.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.66.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.67.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.68.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.69.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.70.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.71.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.72.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.73.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.74.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.75.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.76.

Mrs. Maria Van Bommel: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.77.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.78.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.79.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.80.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.81.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.82.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.83.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.84.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.85.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.86.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.87.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.88.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.89.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.90.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.91.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.92.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.93.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.94.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.95.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.96.

Ms. Leeanna Pendergast: Recorded vote.

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The Acting Chair (Mrs. Liz Sandals): $23.97.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.98.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $23.99

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.00.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.01.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.02.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.03.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.04.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.05.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.06.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.07.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.08.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.09.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.10.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.11.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.12.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.13.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.14.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.15.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.16.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.17.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.18.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.19.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.20.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.21.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.22.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.23.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.24.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.25.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.26.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.27.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.28.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.29.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.30.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.31.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.32.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.33.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.34.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.35.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.36.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.37.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.38.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.39.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.40.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.41.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.42.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.43.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.44.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.45.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.46.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.47.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.48.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.49.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.50.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.51.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.52.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.53.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $24.54.

Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.55.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.56.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.57.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.58.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.59.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.60.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.61.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.62.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.63.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.64.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.65.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.66.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.67.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.68.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.69.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.70.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.71.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.72.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.73.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.74.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.75.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.76.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.77.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.78.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.79.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.80.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.81.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.82.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.83.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.84.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.85.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.86.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.87.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.88.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.89.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.90.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.91.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.92.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.93.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.94.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.95.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.96.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.97.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.98.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $24.99.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.00.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.01.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.02.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.03.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.04.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.05.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.06.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.07.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.08.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.09.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.10.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.11.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.12.
Ms. Leeanna Pendergast: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $25.13.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.14.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.15.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.16.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.17.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.18.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.19.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.20.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.21.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.22.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.23.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.24.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.25.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.26.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.27.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.28.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.29.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.30.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.31.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.32.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.33.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.34.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.35.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.36.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.37.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.38.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.39.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.40.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.41.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.42.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.43.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.44.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.45.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.46.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.47.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.48.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.49.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.50.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.51.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.52.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.53.

Ms. Leeanna Pendergast: Recorded vote.

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Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.55.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.56.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.57.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.58.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.59.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.60.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.61.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.62.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.63.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.64.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.65, $25.66.

Interjections.

Ms. Lisa MacLeod: Keep going.

The Acting Chair (Mrs. Liz Sandals): $25.66. $25.67.

Ms. Lisa MacLeod: We appreciate the government helping us for a while.

The Acting Chair (Mrs. Liz Sandals): We need the—

Ms. Lisa MacLeod: No, you don't. You just have to vote yea or nay.

The Acting Chair (Mrs. Liz Sandals): Are we going to vote?

Ms. Lisa MacLeod: Yes, there are votes.

The Acting Chair (Mrs. Liz Sandals): Well, I need somebody to—

Mr. Michael Prue: Nobody said it.

Ms. Lisa MacLeod: Nobody said it.

The Acting Chair (Mrs. Liz Sandals): Okay.

Mr. Yasir Naqvi: No, there's no vote.

Mr. Bill Mauro: Ask the clerk for clarification.

Ms. Lisa MacLeod: We already know the clarification.

The Acting Chair (Mrs. Liz Sandals): All those in favour? All those opposed? I declare the motion lost.

So that's $25.68.

Mr. Yasir Naqvi: Madam Chair, can we seek clarification here?

Ms. Lisa MacLeod: There's no clarification—

The Acting Chair (Mrs. Liz Sandals): Okay. $25.69.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.70.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.71.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.72.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.73.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.74.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.75.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.76.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.77.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.78.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.79.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.80.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.81.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.82.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.83.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.84.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.85.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.86.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.87.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.88.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.89.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.90.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.91.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.92.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.93.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.94.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.95.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.96.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.97.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.98.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $25.99.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.00.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.01.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.02.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.03.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.04.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.05.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.06.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.07.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.08.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.09.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.10.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.11.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.12.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.13.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.14.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.15.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.16.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.17.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.18.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.19.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.20.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.21.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.22.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.23.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.24.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.25.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.26.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.27.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.28.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.29.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.30.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.31.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.32.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.33.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.34.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.35.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.36.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.37.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.38.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.39.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.40.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.41.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.42.

Mr. Bill Mauro: Recorded vote.

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The Acting Chair (Mrs. Liz Sandals): $26.43.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.44.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.45.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.46.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.47.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.48.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.49.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.50.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.51.

Mr. Bill Mauro: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.52.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.53.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.54.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.55.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.56.

Ms. Leeanna Pendergast: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.57.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.58.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.59.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.60.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.61.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.62.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.63.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.64.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.65.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.66.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.67.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.68.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.69.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.70.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.71.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.72.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.73.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.74.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.75.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.76.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.77.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.78.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $26.79.
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The Acting Chair (Mrs. Liz Sandals): $26.81.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.82.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.83.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.84.
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The Acting Chair (Mrs. Liz Sandals): $26.85.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.86.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.87.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.88.
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Mr. Joe Dickson: Recorded vote.
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Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.92.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.93.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.94.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.95.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.96.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.97.
Mr. Joe Dickson: Recorded vote.
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Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $26.99.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.00.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.01.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.02.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.03.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.04.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): We have completed page 2. Who wants custody of page 2?
Ms. Lisa MacLeod: Only 380 to go.
The Acting Chair (Mrs. Liz Sandals): Page 3. $27.05.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.06.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.07.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.08.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.09.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.10.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.11.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.12.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.13.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.14.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.15.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.16.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.17.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.18.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.19.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.20.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.21.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.22.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.23.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.24.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.25.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.26.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.27.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.28.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.29.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.30.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.31.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.32.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.33.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.34.
Mr. Joe Dickson: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.35.
Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.36.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.37.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.38.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.39.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.40.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.41.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.42.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.43.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.44.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.45.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.46.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.47.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.48.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.49.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.50.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.51.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.52.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.53.

Mr. Joe Dickson: Recorded vote.

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The Acting Chair (Mrs. Liz Sandals): $27.55.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.56.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.57.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.58.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.59.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.60.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.61.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.62.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.63.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.64.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.65.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.66.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.67.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.68.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.69.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.70.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.71.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.72.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.73.

Mr. Joe Dickson: Recorded vote.

Interjections.

Ms. Lisa MacLeod: Call the vote.

The Acting Chair (Mrs. Liz Sandals): No, I haven't said anything yet.

They wonder if you could be a little bit further away from the mike, please.

Mr. Joe Dickson: Pardon me, Chair. Could you speak up?

The Acting Chair (Mrs. Liz Sandals): Just move your head a little bit further from the mike.

Mr. Joe Dickson: You don't like my tone?

The Acting Chair (Mrs. Liz Sandals): It's distorting.

Mr. Joe Dickson: Is this better?

The Acting Chair (Mrs. Liz Sandals): Excellent. $27.74.

Mr. Joe Dickson: Recorded vote.

Mr. John O'Toole: No, I think there was one missed.

The Acting Chair (Mrs. Liz Sandals): No there wasn't.

Mr. John O'Toole: This could change the outcome of the bill.

Interjections.

The Acting Chair (Mrs. Liz Sandals): $27.75.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.76.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.77.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.78.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.79.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.80.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.81.

Mr. Joe Dickson: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.82.

Mr. Wayne Arthurs: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.83.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.84.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $27.85.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.86.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.87.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.88.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.89.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.90.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.91.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.92.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.93.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.94.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.95.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.96.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.97.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.98.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $27.99.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.00.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.01.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.02.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.03.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.04.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.05.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.06.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.07.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.08.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.09.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.10.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.11.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.12.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.13.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.14.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.15.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.16.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.17.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.18.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.19.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.20.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.21.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.22.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.23.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.24.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.25.
Mr. Wayne Arthurs: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.26.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.27.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.28.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.29.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.30.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.31.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.32.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.33.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.34.
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Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.37.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.38.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.39.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.40.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.41.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.42.
Mr. Yasir Naqvi: Recorded vote.
The Acting Chair (Mrs. Liz Sandals): $28.43.
Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.44.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.45.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.46.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.47.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.48.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.49.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.50.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.51.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.52.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.53.

Mr. Yasir Naqvi: Recorded vote.

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Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.55.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.56.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.57.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.58.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.59.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.60.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.61.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.62.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.63.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.64.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.65.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.66.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.67.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.68.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.69.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.70.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.71.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.72.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.73.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.74.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.75.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.76.

Mr. Yasir Naqvi: Recorded vote. Madam Chair, could we ask for quiet in the room, since we're working.

The Acting Chair (Mrs. Liz Sandals): It is very difficult to hear the recorded votes with the nattering in the background.

Mr. Yasir Naqvi: We are working here in the committee.

The Acting Chair (Mrs. Liz Sandals): I would appreciate some quiet.

Ms. Lisa MacLeod: For the record, I was quiet.

1930

The Acting Chair (Mrs. Liz Sandals): You were. I agree.

Mr. Paul Miller: Nice to see you guys getting along, finally.

The Acting Chair (Mrs. Liz Sandals): $28.77.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.78.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.79.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.80.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.81.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.82.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.83.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.84.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.85.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.86.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.87.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.88.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.89.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.90.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.91.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.92.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.93.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.94.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.95.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.96.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.97.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.98.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $28.99.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.00.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.01.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.02.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.03.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.04.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.05.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.06.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.07.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.08.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.09.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.10.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.11.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.12.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.13.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.14.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.15.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.16.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.17.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.18.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.19.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.20.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.21.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.22.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.23.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.24.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.25.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.26.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.27.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.28.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.29.

Mr. Yasir Naqvi: Recorded vote.

The Acting Chair (Mrs. Liz Sandals): $29.30.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.31.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.32.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.33.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.34.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.35.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.36.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.37.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.38.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.39.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.40.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.41.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.42.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.43.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.44.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.45.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.46.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.47.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.48.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.49.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.50.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.51.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.52.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.53.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.54.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.55.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.56.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.57.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.58.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.59.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.60.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.61.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.62.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.63.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.64.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.65.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.66.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.67.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.68.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.69.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.70.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.71.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.72.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.73.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.74.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.75.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.76.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.77.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.78.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.79.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.80.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.81.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.82.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.83.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.84.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.85.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.86.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.87.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.88.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.89.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.90.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.91.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.92.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.93.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.94.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.95.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.96.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.97.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.98.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $29.99.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.00.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.01.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.02.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.03.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.04.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.05.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.06.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.07.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.08.

Mr. Wayne Arthurs: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): $30.09.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.10.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.11.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.12.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.13.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.14.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.15.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.16.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.17.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.18.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.19.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.20.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.21.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.22.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.23.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.24.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.25.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.26.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.27.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.28.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.29.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.30.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.31.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.32.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.33.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.34.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.35.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.36.
Mr. Wayne Arthurs: Recorded vote, please.
The Vice-Chair (Mrs. Laura Albanese): $30.37.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.38.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.39.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.40.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.41.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.42.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.43.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.44.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.45.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.46.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.47.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.48.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.49.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.50.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.51.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.52.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.53.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.54.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.55.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.56.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.57.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.58.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.59.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.60.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.61.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.62.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.63.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.64.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.65.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.66.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.67.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.68.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.69.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.70.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.71.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $30.72.
Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.73.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.74.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.75.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.76.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.77.

Mr. Wayne Arthurs: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): $30.78.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.79.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.80.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.81.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.82.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.83.

Mr. Wayne Arthurs: Recorded vote, Chair.

The Vice-Chair (Mrs. Laura Albanese): $30.84.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.85.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.86.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.87.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.88.

Mr. Wayne Arthurs: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): $30.89.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.90.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.91.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.92.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.93.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.94.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.95.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.96.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.97.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.98.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $30.99.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.00.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.01.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.02.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.03.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.04.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.05.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.06.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.07.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.08.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.09.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.10.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.11.

Mr. Wayne Arthurs: Recorded vote.

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The Vice-Chair (Mrs. Laura Albanese): $31.12.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.13.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.14.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.15.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.16.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.17.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.18.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.19.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.20.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.21.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.22.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.23.

Mr. Wayne Arthurs: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): $31.24.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.25.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.26.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.27.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.28.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.29.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.30.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $31.31.

Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.32.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.33.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.34.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.35.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.36.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.37.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.38.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.39.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.40.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.41.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.42.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.43.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.44.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.45.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.46.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.47.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.48.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.49.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.50.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.51.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.52.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.53.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.54.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.55.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.56.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.57.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.58.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.59.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.60.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.61.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.62.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.63.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.64.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.65.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.66.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.67.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.68.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.69.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.70.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.71.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.72.
Mr. Wayne Arthurs: A recorded vote, please.
The Vice-Chair (Mrs. Laura Albanese): $31.73.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.74.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.75.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.76.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.77.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.78.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.79.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.80.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.81.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.82.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.83.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.84.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.85.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.86.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.87.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.88.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.89.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.90.

Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.91.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.92.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.93.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.94.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.95.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.96.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.97.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.98.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $31.99.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.00.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.01.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.02.
Mr. Wayne Arthurs: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.03.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.04.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.05.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.06.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.07.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.08.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.09.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.10.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.11.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.12.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.13.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.14.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.15.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.16.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.17.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.18.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.19.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.20.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.21.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.22.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.23.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.24.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.25.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.26.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.27.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.28.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.29.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.30.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.31.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.32.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.33.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.34.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.35.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.36.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.37.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.38.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.39.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.40.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.41.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.42.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.43.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.44.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.45.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.46.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.47.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.48.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.49.

Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.50.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.51.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.52.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.53.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.54.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.55.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.56.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.57.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.58.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.59.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.60.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.61.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.62.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.63.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.64.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.65.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.66.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.67.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.68.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.69.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.70.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.71.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.72.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.73.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.74.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.75.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.76.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.77.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.78.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.79.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.80.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.81.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.82.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.83.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.84.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.85.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.86.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.87.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.88.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.89.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.90.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.91.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.92.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.93.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.94.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.95.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.96.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.97.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.98.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $32.99.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.00.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.01.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.02.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.03.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.04.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.05.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.06.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.07.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.08.

Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.09.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.10.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.11.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.12.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.13.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.14.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.15.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.16.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.17.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.18.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.19.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.20.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.21.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.22.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.23.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.24.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.25.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.26.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.27.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.28.
Ms. Leeanna Pendergast: Recorded vote.

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The Vice-Chair (Mrs. Laura Albanese): $33.29.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.30.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.31.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.32.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.33.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.34.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.35.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.36.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.37.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.38.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.39.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.40.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.41.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.42.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.43.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.44.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.45.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.46.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.47.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.48.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.49.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.50.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.51.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.52.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.53.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.54.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.55.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.56.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.57.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.58.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.59.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.60.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.61.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.62.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.63.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.64.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.65.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.66.
Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $33.67.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.68.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.69.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.70.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.71.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.72.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.73.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.74.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.75.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.76.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.77.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.78.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.79.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.80.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.81.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.82.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.83.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.84.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.85.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.86.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.87.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.88.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.89.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.90.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.91.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.92.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.93.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.94.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.95.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.96.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.97.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.98.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $33.99.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.00.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.01.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.02.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.03.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.04.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.05.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.06.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.07.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.08.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.09.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.10.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.11.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.12.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.13.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.14.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.15.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.16.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.17.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.18.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.19.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.20.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.21.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.22.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.23.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.24.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.25.
Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.26.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.27.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.28.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.29.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.30.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.31.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.32.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.33.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.34.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.35.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.36.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.37.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.38.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.39.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.40.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.41.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.42.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.43.

Mr. Charles Sousa: Recorded vote.

Interjections.

The Vice-Chair (Mrs. Laura Albanese): $34.44. Order.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.45.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.46.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.47.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.48.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.49.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.50.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.51.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.52.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.53.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.54.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.55.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.56.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.57.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.58.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.59.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.60.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.61.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.62.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.63.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.64.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.65.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.66.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.67.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.68.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.69.

Mr. Charles Sousa: Recorded vote.

Interjections.

The Vice-Chair (Mrs. Laura Albanese): $34.70. Order.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.71.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.72.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.73.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.74.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.75.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.76.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.77.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.78.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.79.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.80.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.81.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.82.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $34.83.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.85.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.86.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.87.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.88.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.89.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.90.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.91.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.92.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.93.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.94.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.95.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.96.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.97.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.98.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $34.99.
Mr. Charles Sousa: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.00.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.01.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.02.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.03.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.04.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.05.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.06.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.07.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.08.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.09.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.10.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.11.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.12.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.13.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.14.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.16.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.17.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.18.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.19.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.20.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.21.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.22.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.23.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.24.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.25.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.26.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.27.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.28.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.29.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.30.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.31.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.32.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.33.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.34.
Mr. Bill Mauro: Recorded vote.

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The Vice-Chair (Mrs. Laura Albanese): $35.36.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.37.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.38.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.39.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.40.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.41.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.42.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.43.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.44.

Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.45.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.46.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.47.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.48.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.49.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.50.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.51.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.52.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.53.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.54.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.55.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.56.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.57.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.58.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.59.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.60.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.61.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.62.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.63.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.64.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.65.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.66.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.67.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.68.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.69.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.70.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.71.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.72.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.73.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.74.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.75.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.76.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.77.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.78.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.79.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.80.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.81.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.82.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.83.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.84.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.85.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.86.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.87.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.88.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.89.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.90.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.91.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.92.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.93.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.94.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.95.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.96.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.97.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.98.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $35.99.
Mr. Bill Mauro: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.00.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.01.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.02.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.03.

Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.04.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.05.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.06.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.07.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.08.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.09.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.10.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.11.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.12.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.13.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.14.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.15.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.16.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.17.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.18.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.19.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.20.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.21.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.22.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.23.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.24.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.25.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.26.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.27.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.28.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.29.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.30.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.31.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.32.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.33.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.34.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.35.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.36.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.37.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.38.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.39.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.40.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.41.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.42.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.43.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.44.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.45.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.46.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.47.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.48.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.49.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.50.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.51.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.52.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.53.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.54.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.55.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.56.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.57.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.58.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.59.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.60.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.61.
Mr. Yasir Naqvi: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $36.62.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.63.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.64.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.65.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.66.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.67.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.68.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.69.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.70.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.71.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.72.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.73.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.74.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.75.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.76.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.77.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.78.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.79.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.80.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.81.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.82.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.83.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.84.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.85.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.86.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.87.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.88.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.89.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.90.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.91.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.92.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.93.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.94.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.95.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.96.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.97.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.98.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $36.99.

Mr. Yasir Naqvi: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.00.

Mr. Yasir Naqvi: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): $37.01.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.02.

Mr. Wayne Arthurs: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): $37.03.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.04.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.05.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.06.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.07.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.08.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.09.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.10.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.11.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.12.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.13.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.14.

Mr. Wayne Arthurs: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): $37.15.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.16.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.17.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.18.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.19.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.20.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.21.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.22.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.23.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.24.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.25.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.26.

Mr. Wayne Arthurs: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): $37.27.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.28.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.29.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.30.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.31.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.32.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.33.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.34.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.35.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.36.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.37.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.38.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.39.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.40.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.41.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.42.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.43.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.44.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.45.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.46.

Mr. Wayne Arthurs: Recorded vote.

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The Vice-Chair (Mrs. Laura Albanese): $37.47.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.48.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.49.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.50.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.51.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.52.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.53.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.54.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.55.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.56.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.57.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.58.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.59.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.60.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.61.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.62.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.63.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.64.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.65.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.66.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.67.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.68.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.69.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.70.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.71.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.72.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.73.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.74.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.75.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.76.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.77.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.78.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.79.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.80.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.81.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.82.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.83.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.84.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.85.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.86.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.87.

Mr. Wayne Arthurs: Recorded vote; there's not much variety here to work with.

The Vice-Chair (Mrs. Laura Albanese): $37.88.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.89.

Mr. Wayne Arthurs: Recorded vote, please.

The Vice-Chair (Mrs. Laura Albanese): $37.90.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.91.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.92.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.93.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.94.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.95.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.96.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.97.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.98.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $37.99.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.00.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.01.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.02.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.03.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.04.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.05.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.06.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.07.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.08.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.09.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.10.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.11.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.12.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.13.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.14.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.15.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.16.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.17.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.18.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.19.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.20.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.21.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.22.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.23.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.24.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.25.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.26.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.27.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.28.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.29.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.30.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.31.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.32.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.33.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.34.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.35.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.36.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.37.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.38.

Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.39.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.40.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.41.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.42.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.43.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.44.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.45.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.46.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.47.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.48.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.49.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.50.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.51.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.52.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.53.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.54.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.55.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.56.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.57.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.58.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.59.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.60.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.61.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.62.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.63.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.64.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.65.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.66.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.67.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.68.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.69.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.70.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.71.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.72.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.73.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.74.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.75.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.76.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.77.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.78.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.79.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.80.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.81.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.82.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.83.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.84.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.85.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.86.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.87.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.88.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.89.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.90.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.91.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.92.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.93.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.94.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.95.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.96.
Ms. Leeanna Pendergast: Recorded vote.
The Vice-Chair (Mrs. Laura Albanese): $38.97.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.98.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $38.99.

Ms. Leeanna Pendergast: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.00.

Ms. Leeanna Pendergast: Recorded vote, Chair.

The Vice-Chair (Mrs. Laura Albanese): $39.01.

Mr. Charles Sousa: Yes, recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.02.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.03.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.04.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.05.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.06.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.07.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.08.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.09.

Mr. Charles Sousa: Recorded vote. How do you say it in French?

The Vice-Chair (Mrs. Laura Albanese): $39.10.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.11.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.12.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.13.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.14.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.15.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.16.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.17.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.18.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.19.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.20.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.21.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.22.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.23.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.24.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.25.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.26.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.27.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.28.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.29.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.30.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.31.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.32.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.33.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.34.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.35.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.36.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.37.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.38.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.39.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.40.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.41.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.42.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.43.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.44.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.45.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.46.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.47.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.48.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.49.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.50.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.51.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.52.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.53.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.54.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.55.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.56.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.57.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.58.

Mr. Charles Sousa: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.59.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.60.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.61.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.62.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.63.

Mr. Wayne Arthurs: Recorded vote.

The Vice-Chair (Mrs. Laura Albanese): $39.64.

Mr. Wayne Arthurs: Recorded vote. Chair, do we have a quorum?

The Vice-Chair (Mrs. Laura Albanese): The clerk advises me that we have no quorum. We need a 10-minute recess.

The committee awaited a quorum.

The Vice-Chair (Mrs. Laura Albanese): So I'm going to ask the—

Ms. Lisa MacLeod: Madam Chair—

The Vice-Chair (Mrs. Laura Albanese): No debate. I'm going to ask the clerk if a quorum is present. Is a quorum present?

The Clerk of the Committee (Mr. William Short): No, a quorum is not present.

The Vice-Chair (Mrs. Laura Albanese): Could you please read the names of the members that are present.

The Clerk of the Committee (Mr. William Short): Ms. MacLeod, Mr. Miller, Mr. Prue, Ms. Albanese.

The Vice-Chair (Mrs. Laura Albanese): We're adjourned.

The committee adjourned at 2032.

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

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Also taking part / Autres participants et participantes
Mr. Garfield Dunlop (Simcoe North / Simcoe-Nord PC)
Mr. Frank Klees (Newmarket–Aurora PC)
Mr. Paul Miller (Hamilton East–Stoney Creek / Hamilton-Est–Stoney Creek ND)
Mr. John O'Toole (Durham PC)
Ms. Helena Jaczek (Oak Ridges–Markham L)
Mrs. Joyce Savoline (Burlington PC)

Clerk / Greffier
Mr. William Short

Staff / Personnel
Ms. Catherine Macnaughton, legislative counsel
Mr. James Sinclair, legislative counsel
Mr. Michael Waterston, legislative counsel
Mr. Konata Lake, research officer,
Legislative Research Service

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Legislative Assembly of Ontario
First Session, 39th Parliament

Assemblée législative de l'Ontario
Première session, 39e législature

Official Report of Debates (Hansard)

Monday 25 January 2010

Journal des débats (Hansard)

Lundi 25 janvier 2010

Standing Committee on Finance and Economic Affairs

Comité permanent des finances et des affaires économiques

Pre-budget consultations

Consultations prébudgétaires

Chair: Pat Hoy
Clerk: William Short

Président : Pat Hoy
Greffier : William Short

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Monday 25 January 2010

Lundi 25 janvier 2010

The committee met at 0855 in the Sheraton Fallsview Hotel and Conference Centre, Niagara Falls.

SUBCOMMITTEE REPORT

The Vice-Chair (Mrs. Laura Albanese): Good morning. The Standing Committee on Finance and Economic Affairs will now come to order. We are pleased to be in Niagara Falls today.

Our first order of business would have the subcommittee report read into the record. Mr. Arthurs.

Mr. Wayne Arthurs: Chair, your subcommittee met on Tuesday, October 20, 2009, to consider the method of proceeding on pre-budget consultations, 2010, and recommends the following:

(1) That the committee hold pre-budget consultations in Niagara Falls, London, Dryden, North Bay and Kingston during the week of January 25, 2010.

(2) That the committee hold pre-budget consultations in Toronto on Monday, February 1, 2010, Tuesday, February 2, 2010, and Wednesday, February 3, 2010.

(3) That the committee request authorization from the House leaders to meet during the week of January 25, 2010, and Monday, February 1, 2010, Tuesday, February 2, 2010, and Wednesday, February 3, 2010.

(4) That the committee clerk, in consultation with the Chair, post information regarding pre-budget consultations on the Ontario parliamentary channel and the committee's website.

(5) That the committee clerk, in consultation with the Chair, place an advertisement, no later than the week of December 14, 2009, in a major newspaper of each of the cities in which the committee intends to meet, and that the advertisements be placed in both English and French papers where possible.

(6) That each party provide the committee clerk with the name of one expert witness and one alternate no later than December 18, 2009.

(7) That expert witnesses be offered 15 minutes for their presentation, and be given five minutes of questioning from each political party.

(8) That expert witnesses be scheduled to appear before the committee in Toronto on Monday, February 1, 2010.

(9) That interested people who wish to be considered to make an oral presentation contact the committee clerk by 4 p.m. on Wednesday, January 13, 2010.

(10) That if necessary, the members of the subcommittee prioritize the list of requests to appear and return it to the committee clerk by 12 noon on Friday, January 15, 2010.

(11) That, if all requests to appear can be scheduled in any location, the committee clerk can proceed to schedule all witnesses and no prioritized list will be required for that location.

(12) That the minimum number of requests to appear to warrant travel to a location be eight.

(13) That all witnesses be offered 10 minutes for their presentation, and that witnesses be scheduled in 15-minute intervals to allow for questions from committee members if necessary.

(14) That the deadline for written submissions be 5 p.m. on Wednesday, February 3, 2010.

(15) That, in order to ensure that all scheduled presenters are treated with respect and dealt with without delay during the committee's public hearings on pre-budget consultations, the committee adopt the following procedures:

—that notice be provided of any proposed motion that would refer to issues that would normally be included in the committee's report-writing stage;

—that notice of a proposed motion be tabled with the committee clerk in writing;

—that the committee postpone consideration of the proposed motion until the committee commences its report writing; and

—that adoption of the above notice procedure would not limit in any way the right of committee members to move any proposed motion during the committee's report-writing stage.

(16) That the research officer provide a summary of the presentations by 12 noon on Thursday, February 18, 2010.

(17) That the research officer provide a draft report to the committee members by 12 noon on Tuesday, February 23, 2010.

(18) That, in order to facilitate the committee's work during report writing, proposed recommendations should be filed with the clerk of the committee by 12 noon on Friday, February 19, 2010.

(19) That the committee meet for the purpose of report writing on Thursday, February 25, 2010.

(20) That the committee authorize one staff person from each recognized party to travel with the committee,

space permitting, for the purpose of pre-budget consultations, and that reasonable expenses incurred for travel, accommodation and meals be paid for by the committee upon receipt of a properly filed expense claim.

(21) That the committee clerk, in consultation with the Chair, be authorized prior to the adoption of the report of the subcommittee to commence making any preliminary arrangements necessary to facilitate the committee's proceedings.

Chair, I believe that's your subcommittee report in its totality.

The Vice-Chair (Mrs. Laura Albanese): Any discussion? Carried? Carried.

0900

PRE-BUDGET CONSULTATIONS

NIAGARA HEALTH SYSTEM

The Vice-Chair (Mrs. Laura Albanese): So now we'll begin with our first presentation of the pre-budget consultations, 2010. I would ask our first presenter to come forward. I believe it's the Niagara Health System. Good morning.

Ms. Angela Zangari: Good morning.

The Vice-Chair (Mrs. Laura Albanese): Just for everyone's benefit, I would like to remind you that each presentation is a total of 15 minutes in length. The presenter is allowed 10 minutes in which to make his or her presentation and that is then followed by up to five minutes of questions from committee members. The questioning goes in five-minute segments, with each party going in rotation.

Please state your name for the purposes of our recording Hansard and then you may begin.

Ms. Angela Zangari: Thank you, members of the finance committee. My name is Angela Zangari. I'm the chief financial officer for the Niagara Health System. I'm here today to share with you the challenges and issues faced by our multi-site hospital, the Niagara Health System.

The Niagara Health System is Ontario's largest multisite hospital system, with seven sites located across the region of Niagara. Our hospital is served by a health care team comprised of 4,300 employees, including 1,800 nurses, more than 550 physicians, midwives and dentists, and 1,100 active volunteers.

Niagara Health provides the majority of acute care and community hospital services to the 434,000 residents of the Niagara region, a population that demographically is older, with a health status that is generally poorer than the rest of Ontarians.

Niagara Health System is the largest provider of emergency and urgent care in Ontario. We treat approximately 200,000 patients every year through our three emergency departments and three urgent care centres. On any given day, we are running at full capacity in our 750 in-patient care beds.

Our hospital team sincerely understands that the financial and economic crisis facing Ontario is extraordinarily serious and that government revenues have fallen drastically and dramatically, and we truly appreciate that the people of Ontario want hospitals, LHINs and the Ontario government to work very closely together, focusing on practical and realistic solutions that protect access to patient care.

Ultimately, during these unprecedented times, the government and hospitals share the same vital objective: to avoid actions that will significantly destabilize access to patient services. However, what I would like to express to you today is the realities of health care delivery and the ongoing challenges and pressures we face day to day in our mission to provide the best care we can provide the people of Niagara.

I would like to spend a few minutes on the matter of hospitals and efficiency. Niagara Health System is truly an efficiently run hospital system. Numerous third party reports and reviews demonstrate this fact. Niagara Health has undergone a number of rigorous performance and financial reviews, including a comprehensive efficiency review, an expenditure control review and the Dr. Kitts review, all in additional to our annual financial audit. Each of these third party external reviews have all pointed to the same thing: Niagara Health is an efficient hospital, we manage our expenses well, and there is a need for a funding/cash injection to the NHS.

From the provincial perspective, efficiency measures taken by Ontario hospitals have created a $2.5-billion efficiency dividend—that is the difference between what Ontario spends per capita on hospitals versus what is spent in other provinces—that can be invested in other priorities by the government.

I would like to stress to you that along with the tremendous work that has been done to date, Niagara Health itself, and collectively with Ontario hospitals, remains committed to finding new efficiencies across hospital operations and to working with our partners—the government, the LHINs and the community sector—to find health system efficiencies. We recognize and support that this is an ongoing aspect of what we need to continue to do to ensure that the precious resources we have to deliver health care to Ontarians are used to best provide care to our patients.

We sincerely recognize that the economic challenges have made it very difficult for the government of Ontario to provide LHINs and hospitals with hospital operating funding planning targets for the 2010-11 fiscal year.

In response to the absence of a funding allocation, LHINs and hospitals have revised their planning processes for the 2010-11 fiscal year. Hospitals have provided their LHINs with scenarios derived from different funding assumptions, those being 0%, 1% and 2%. This is a reasonable and responsible step in these circumstances.

Each of these scenarios represents a funding shortfall of $3 million to $9 million for Niagara Health because our costs will continue to rise at a greater rate.

We believe that a 2% increase in hospital operating funding in 2010-11 is reasonable and responsible in these economic circumstances, will help to minimize the negative impacts on patient services and will help maintain public confidence in our hospital and the health care system.

Niagara Health's operating revenue is not sufficient to cover the expenses associated with the delivery of services currently being provided. This is one of the key reasons the NHS developed a hospital improvement plan, or HIP, in July 2008. The HIP is a framework for the NHS to enhance quality of hospital care across the Niagara region over the long term while at the same time balancing financial pressures, the needs of Niagara's aging population, and the challenges of the ongoing shortage of doctors, nurses and other health professionals.

This plan includes more than $28 million of savings over the five-year period through the creation of centres of excellence and improved quality and efficiency initiatives. Through the HIP multi-year plan, we will also help reduce costs by addressing the duplication of services, equipment, health professionals and infrastructure costs across all NHS sites. Approximately $16 million has been achieved in savings related to HIP changes that have gone into effect since 2008. These savings come mainly from supply chain efficiencies, consolidation of surgical services, bed closures and the conversion of acute care services to complex continuing care.

The NHS has also identified sufficient additional savings to deal with a 2% funding assumption for next year without significant service reductions. If base funding for 2010-11 is less than 2%, additional service reductions will be required.

In any circumstance, we will continue to work closely with our LHIN to ensure that access to high-quality patient care is maintained within a system that is fiscally sustainable.

Ontario hospitals operate at nearly 100% occupancy. The NHS, on average, runs at approximately 96% occupancy.

Based on OHA's October 2009 survey, approximately 18% of Ontario hospitals' acute in-patient capacity is now occupied by patients in need of care in another, more appropriate setting, such as assisted living, palliative care, long-term care and home care. That's up from approximately 7% just four years ago. At our hospital, that figure is 18% for the month of October 2009, down from an average of 29% in 2008-09.

High numbers of alternate-level-of-care patients can cause delayed surgeries and long waits for care in our emergency department. While efforts underway to tackle the ALC patient challenge hold promise, the capacity to care for these patients outside of hospital settings does not yet exist across the province or in this community.

I need to emphasize that a 2% operating funding increase for 2010-11 is essential to system stability.

Niagara Health System's hospital improvement plan includes savings of $9 million over a three-year period through the closure of approximately 90 ALC beds and staff, thus reducing capacity. Thirty beds have already closed this year, with an additional 39 beds slated to close next fiscal year.

Through recent weeks we have experienced the strain on our system when it comes to having enough of the right kind of patient care beds in the hospital and in the community. The future reduction of in-hospital beds will have a significant impact on our wait times in the emergency department and for surgical and diagnostic procedures unless appropriate beds are available in the community for patients who need long-term care, supportive housing or specialized rehab services.

We encourage the Ontario government to increase investments in community-based health services and community care access centres here in Niagara and throughout Ontario.

I'd also like to talk about hospital working capital.

One of the best indicators of short- and long-term financial viability is an entity's working capital. Ontario's hospitals currently carry more than $1 billion in working capital deficits on a net basis, on which they pay approximately $20 million per year in interest charges. The NHS debt/working capital deficit is more than $100 million and we currently incur approximately $2 million annually in short-term interest costs. It is primarily attributable to factors beyond our control and stems from a number of unique circumstances from amalgamation of the NHS in 2000 and the governance transfer from the former Hotel Dieu Hospital in 2005.

Our hospital currently receives cash advances of $90 million from our LHIN in order to help pay our staff and our bills.

0910

I'd like to also comment on the timing of release of hospital operating funding targets. As you can appreciate, it is vital that the 2010-11 funding targets be released as soon as possible.

The Vice-Chair (Mrs. Laura Albanese): You have about 30 seconds left.

Ms. Angela Zangari: Okay, I'll just summarize.

Ladies and gentlemen, I recognize that this is your first submission of the day and that I've provided a great deal of information in a very short time period—so I thank you for that. My hope is that I have provided you with a greater understanding of our local situation and of the common challenges faced by hospitals across Ontario.

In summary, I would like to reiterate that a 2% increase in hospital operating funding in 2010-11 is reasonable and responsible, and also that we need to increase capacity in the community to care for the high number of alternate-level-of-care patients in our hospitals and decrease the long wait for care in our emergency departments.

In closing, I hope that through this presentation I have been able to help guide you in your work and provided you with a deeper understanding of the challenges before

the Niagara Health System, along with most other hospitals throughout Ontario. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation.

This rotation goes to the official opposition.

Mr. Peter Shurman: Thank you very much, Ms. Zangari. It was an interesting presentation. I think we can all relate to the fact that you and every other organization like yours around the province have challenges this year—challenges, indeed, every year.

You assert that you're the largest provider of your type in the province, and you've given us some statistics to back that up. You've also asserted that you're doing a very good job—and I'll add the phrase "under difficult circumstances," if that's okay with you.

I wonder, however, if you believe that the citizens of your catchment area in Niagara would agree with what you have to say, notably in light of recent news about the closure in some locations of emergency facilities, for example, and relocation and then transportation, in one case causing a death that could possibly be attributed to this relocation. Do you think that you're doing as good a job as you claim you're doing in the minds of the people you're serving?

Ms. Angela Zangari: I don't want to comment on the recent death. I don't think that would be appropriate to comment on.

Mr. Peter Shurman: I'm not asking for the specifics on that case, but I want to know if you think that the emergency facilities—

Ms. Angela Zangari: Certainly, all measures of efficiency related to quality and financial efficiency do point to the fact that Niagara is efficient.

Of course, with change comes angst and confusion, and you're always going to have a group of residents who may feel that. There has been a change, especially in the Fort Erie and Port Colborne area, with the downgrading from emergency department to urgent care centres—although we do truly believe that conversion still provides 95% of the residents of those areas with the same access they had before the conversion happened. Again, with change comes time to accept that change and to understand what that change is.

We've been out there trying to communicate a lot. We have open houses; we have drop-ins come in. We're constantly in communication with our residents of Niagara on that issue because it is—as we said, we had a hospital improvement plan that had significant change for Niagara. We did have the third party review. Dr. Kitts from Ottawa reviewed that before it was implemented. They fully supported what was included in the hospital improvement plan to move forward. It's not something that hasn't been done in the province before. It's something that needs to be done to improve quality of care and access for all of Niagara.

Mr. Norm Miller: Thank you for your presentation. What you described—you could have been doing the same report in my area of Parry Sound–Muskoka, talking about reviews, audits, planned bed closures, challenges with ALC patients.

One of the things I'm surprised to hear, though, is—I distinctly remember two or three years ago then Minister of Health George Smitherman talking about and announcing with great fanfare multi-year funding for hospitals, for the health care system. I think it was three-year funding he was talking about.

Ms. Angela Zangari: We had two-year funding announced. So with 2008 and 2009-10, funding was announced.

Mr. Norm Miller: But the budget year ends in March and you don't know what your budget is, the increase, for next year?

Ms. Angela Zangari: That's correct.

Mr. Norm Miller: That seems to me an impossible situation to be in.

Ms. Angela Zangari: And that's one of the difficult challenges that we've had in order to plan. As the Niagara Health System, we've had to make an assumption that we would receive 2% funding, because we had to choose something to go by and start—

Mr. Norm Miller: I mean, it really seems to me that is a ridiculous situation to be in, that months before the financial year starts, it's essentially almost half the Ontario budget and you don't know what your increase is going to be. I know you're asking for 2%, even though your costs are probably going up more like 4% or 5%—

Ms. Angela Zangari: That's right.

Mr. Norm Miller: —with lots of things beyond your control: wages, drugs etc. What advice would you have for the government on where to get the extra dollars needed for health care going into the future?

Ms. Angela Zangari: Well, I think, as I pointed out in the presentation before, the fact that Ontario hospitals are efficient, and talking about that dividend as far as what Ontarians spend on hospital efficiencies—it's a very difficult question, and that's why I don't envy the position that you're in, because we're in the same type of position. That kind of goes back to the fact that you have to make difficult decisions, right? So I'm not really sure where it would come from. I think health care should be a priority within the budget for this year.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. That ends the questioning.

Ms. Angela Zangari: All right. Thank you.

HOSPICE NIAGARA

The Vice-Chair (Mrs. Laura Albanese): Now I call upon Hospice Niagara to come forward. Good morning. You have 10 minutes for your presentation, and there could be up to five minutes for questioning. Please identify yourselves for the purposes of our recording Hansard, and you may begin.

Ms. Sheryl Wherry: Thank you, Madam Chair and committee members. My name is Sheryl Wherry, and I am the past chair of Hospice Niagara. With me is Margaret Jarrell, our executive director. We both very

much appreciate the opportunity to speak with you this morning. I would like to point out that although we are representing our independent hospice, Hospice Niagara, we are working in concert with the Hospice Association of Ontario. With that, we fully support the business case that has been prepared by them and I believe distributed by your clerk this morning to each of you.

I'd like to provide you with a brief background of Hospice Niagara. It is a charitable organization. It was established in 1993 by a small group of individuals who were extremely dedicated to a vision for a free-standing hospice in Niagara. It was initially developed with several services: a peer support program for children living with terminal illnesses and a volunteer training program, resulting in a network of volunteer palliative care providers providing in-home visiting volunteer support to those living with a life-limiting illness.

Approximately 13 years after being established, the vision of a free-standing facility became a reality. In September 2007, the first client came into our 10-bed residential hospice. Since that time, 276 residents have graced us with their presence. Our occupancy rate continues to exceed the expected 80% level and runs closer to 90%.

Not only do we operate the residential program, but we continue to provide an expanded array of community services, all aligned to the provision of palliative care. We have grief counsellors; we offer grief walks to those who have lost a loved one; we offer children, youth and adult bereavement support; we have a day hospice program, where those who are able attend our facility for a day of camaraderie, fun, a hot meal and undivided attention from our volunteers; and we continue the critical work of the visiting volunteer program, to not only assist the resident in their own home but, as importantly, free the caregiver for those periods of visitation.

In summary, we are, we believe, an integral and extremely important part of the end-of-life network.

As you know, from a demographic viewpoint, Ontario has an aging population, and the Niagara region is statistically higher than the Ontario average. The service we provide helps alleviate the pressure on hospital emergency rooms and palliative care beds. You will find a considerable amount of information on this in the business case produced in concert with the Hospice Association of Ontario. Specifically, you will be able to read about the economic drivers that clearly favour the hospice movement. Without hospices, the choices for dying and aging are long-term-care facilities and hospitals. A hospice, if available, provides a unique experience not only for the residents but, very importantly, for their families. It is a companioning experience.

0920

The model limits the size to 10 beds in order to ensure a homelike rather than an institutional setting pervades. This is what makes the difference for the families, who can spend their time with their loved one in the last days of their life rather than having to be the reactive, responsive caregiver.

Families have the freedom to come and go 24-7. The rooms provide a pullout loveseat for sleepovers if desired. There is a family room with cooking facilities, to keep families fed; a quiet room for spiritual relief; and we have a resident chaplain.

From an economic perspective, the numbers speak for themselves. The provincial average cost of an acute care bed in a hospital is $850 a day, compared to the average cost of a residential hospice bed at $439 a day, almost one half the cost.

At issue for the hospice movement in Ontario, including Hospice Niagara, is that we are not sustainable in the long term, or perhaps short term for some, at the current levels of funding. The funding formula provides funding for less than 40% of our operating costs. Community support has bridged the difference to date, but we seriously question how we can continue to depend on the community for $800,000 annually into the long term.

If we do not receive increased funding, hospices will fail and this will result in an increased cost to government and likely a negative reaction from constituencies where a hospice has been available.

At present, there are 16 hospices operating in Ontario, equating to 126 beds in total, and there are at present an additional 157 beds in 19 separate organizations either in planning stages or under construction. If these 300 or so beds ultimately cannot be sustained from a financial perspective through hospice funding, the drain on long-term-care facilities and hospitals will be hugely problematic and the cost to government excessive.

Many of your constituents are becomingly increasingly aware that hospice care provides a better quality of care at a cheaper cost than our hospital care.

As a board at Hospice Niagara, we are so concerned about our own sustainability that we recently established a government relations committee. In the past few months we have made a point of meeting with as many politicians as possible. To date we have had a lengthy meeting with Honourable Minister Bradley, who has committed to writing a letter to the Minister of Health in support of our issue. A meeting is scheduled for later this week with member Craitor and at the federal level, we have met with member of Parliament Dykstra. Other meetings are in the planning stage.

Before I ask our executive director for a few comments, I would leave you with this thought: At some point every one of you will be either directly or indirectly touched by a loved one having a life-limiting illness, and no doubt you have constituents who have already been touched by a loved one requiring end-of-life care. When you are, you will grieve that loss less if you know that the quality of that care was the best possible that could be provided. That's what a hospice can do.

I sincerely thank you for your time and I ask Margaret to say a few words.

Ms. Margaret Jarrell: Madam Chair, members, good morning. I would like to illustrate to you with a couple of scenarios how residence hospice care serves both the individual and fits within the health care system.

In the first case let's look at Pat and Mike. Mike has just received a diagnosis of a life-limiting illness. A trusted friend sees the couple's confusion and anxiety and refers them to Hospice Niagara. Over the course of the next eight months, during physically draining treatments, bewildering side effects and a determination to overcome disease, Pat and Mike are supported by a Hospice Niagara volunteer. The volunteer visits with both. Pat goes off to hair appointments and buys groceries while the volunteer and Mike visit. The couple have grown children and a large social circle, but they are private about the issues they are confronting and confide and question some matters only with their volunteer.

Mike attends a day hospice program. A volunteer driver picks him up, as he is now in a wheelchair, and returns him home while Pat gets some much-needed respite.

The hospice staff notice that Mike and Pat require more medical support now, and the CCAC is contacted. That is provided.

One day it becomes clear that this is a struggle that Mike cannot continue at home. His disease is progressing and Pat is exhausted. The CCAC makes a referral; Mike comes to hospice. Mike and Pat are frightened but know some of the staff members and volunteers and are made to feel very welcome. They are both able to visit together with friends and family, take meals together, and by the time Mike passes away, the family is accepting and calm.

Fifty per cent of our clients, however, come from hospital. Let's look at David's circumstances: After a brief but rapidly progressive disease that dramatically reduces his physical capabilities and gives David great discomfort and periodically severe pain; after repeated rounds of hospitalization, seeking relief for these symptoms, the family is overwhelmed, and the hospital says that he's ready for hospice palliative care. David does come to the hospice directly from the hospital. The expert knowledge in palliative care and pain management allow David considerable relief and he has several weeks of comfortable time before his death, which he uses in brief, meaningful discussions with friends and the chaplain.

I will close now with words from a young man who is currently a client of ours. This is from a book that we have at the visitors' desk:

"I am 14 years old. My dad has been fighting cancer for nearly 10 years.

"And I do not think he's ever been in better care. Before, my mother, brother and I were the medical staff and had to squeeze in quality time as well.

"But here is a place which makes sure we only have to concentrate on family time.

"No work, clients, phones or cooking. Just my dad.

"Thank you so much for the moments and great memories you have allowed us to make."

With that, I close. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. This round of questioning will go to the NDP. Mr. Prue.

Mr. Michael Prue: I just want to, for the record—when a person goes into a hospice, is there any charge to them? Do they have to pay any amount of money?

Ms. Margaret Jarrell: No, they do not.

Mr. Michael Prue: So it's entirely government-funded?

Ms. Margaret Jarrell: No, it's about 40% government-funded, and the rest at this point in time is coming from the community.

Mr. Michael Prue: All right. So what's this—fundraisers? You have to go out and—

Ms. Margaret Jarrell: Fundraisers and reserves. It's an unsustainable formula.

Mr. Michael Prue: There is a very limited number of beds. I was surprised, when you were talking, how limited the number of beds is in Ontario. My colleague here was asking if I knew of any in Beaches–East York, and I don't. I would surmise that there probably aren't any. Could you tell me how many there are in the Toronto area, the whole of Toronto? There are only 126 in the province.

Ms. Margaret Jarrell: No. I can get back to you with that, but it is limited. There are about five hospices in the full Metro Toronto area.

Mr. Michael Prue: I do understand the economic argument, and I have never really, quite frankly, understood the province and the way that we spend money. I'm thankful for the hospitals. We heard the last presenter; they need 2% more. But we also know that there are closures and pressures. She was talking about what used to be called bed-blockers and things. This is something that you could easily alleviate at half the cost.

Ms. Margaret Jarrell: We do alleviate at half the cost—just not to the degree we would like.

Mr. Michael Prue: So if the government saw fit, given all the hospital pressures on monies, to rechannel, there would actually be a saving, I would take it—a considerable saving.

Ms. Margaret Jarrell: That's right.

Ms. Sheryl Wherry: Almost half the daily cost of a bed, based on the statistics that you will find in the business case.

Mr. Michael Prue: Is there reluctance from patients to leave a hospital and come to a hospice? I'm only thinking back to people's fear of death. If you go to the hospice, you know you're probably going to die. So the hospital gives them some kind of hope—even though they're probably going to die and nothing's going to be much different—that there's still some hope. Does that ever play on people's minds?

Ms. Margaret Jarrell: It may, but our data to date is, we take 50% of our clients from the hospital and 50% from the community. We have never had a bed turned down from someone in the hospital. Sometimes at home, the family says, "We think we're going to be able to cope," or, "We want another day," because it does seem like a final step, so they sometimes ask for a day. If they ask for more than that, sometimes they call back, having realized what it was like to think that they might have

had a full night's sleep, and the bed has gone to another. But no, we've never had a decline from the hospital.

Mr. Michael Prue: I did not hear a number. This is the finance committee. How much money would you like from the government in this particular round in order to do what I think is an excellent program?

Ms. Margaret Jarrell: We would like 80% of the operating costs. Operating costs, all across the province, are $1.6 million a year; we currently receive $580,000. We would like 80% of $1.6 million.

Mr. Michael Prue: That's about $1 million.

Ms. Margaret Jarrell: That's $1.2 million.

Mr. Michael Prue: Okay. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you again.

0930

CITY OF NIAGARA FALLS

The Vice-Chair (Mrs. Laura Albanese): We will now move to the next presenter. We welcome the mayor of Niagara Falls, Mr. Salci.

You will have 10 minutes for your presentation. That might be followed by five minutes of questioning. If you can state your name for the purposes of our recording Hansard, after that you may begin. Thank you.

Mr. Ted Salci: I'm pleased to be here this morning. My name is Ted Salci. Accompanying me on my right is our CAO, Mr. Ken Todd; and on my left is the director of finance and the treasurer, Mr. Todd Harrison.

I'm the mayor of Niagara Falls, as you mentioned, and I'm pleased to be here and to welcome the members of the standing committee. I thank you for facilitating this discussion in our community today and for being here to listen. It is a pleasure to have this opportunity to speak and provide you with important information about the priorities and challenges that we face in our city.

The city of Niagara Falls is unique in Ontario. As you know, we have 82,000 residents and a visiting population of more than 12 million people each and every year. We are constantly faced with trying to meet the demands of this number of people in our community annually. This requires us to ensure that our infrastructure is upgraded, our roads are safe and our sewer and water lines can host millions of people in addition to our own population each year.

It is difficult to compare us to other communities and cities as we have different needs and varying priorities based upon our unique circumstances. We have seen a solid commitment from the provincial government in our community, and we're pleased that you've recognized our diversity; however, we need to continue to be given this consideration.

I'll outline some of the important issues facing our city today.

Our ability to generate revenue is tied to the value of our properties, so we need the provincial government to provide us sustainable funding options. We welcome you to complete your new review of property taxes and to present a sustainable long-term solution to municipalities. We look forward to the government's response and a resolution regarding property tax issues.

One of the largest challenges facing municipalities is the replacement of current, aging infrastructure. Roads, water and sewer distribution, and buildings, amongst others, will require significant investments for which local municipalities will need funding assistance. We are pleased that the provincial government has supported this reinvestment infrastructure through support programs and grants. However, many of the current grants and programs are one-time funding.

While we recognize that the province initiated many of these to stimulate the lagging economy, there needs to be a long-term commitment from your government to provide predictable, sustainable infrastructure funding. The investments planned by cities will require funding assistance from the provincial and federal governments to ensure that the infrastructure assets are maintained at levels expected by our residents.

We are very appreciative of the support that your government has shown in the past, and we thank you for dealing with the city so proficiently. Please know that your investments are extremely worthwhile. Whenever you invest a dollar here, I'm very proud to say that the private sector triples that investment.

Further, as infrastructure investment occurs, it is a great opportunity for municipalities to be leaders in green technology. However, to meet the financial commitments of utilizing green technology, the province will again need to assist municipalities in financing this conversion.

The investment in two casinos and the recent announcement reaffirming your government's previous position to maintain two casinos is very much appreciated by our residents. The casino properties continue to be another pillar of our tourism attractions.

While we appreciate this investment, we also require further action to resolve outstanding issues. The OLGC has appealed its property assessment, and that process is under way. We urge the province to use its legislative authority to identify a fair assessment model that provides a stable funding source to the city and to the region of Niagara.

In total, the payments received from the properties provided $17.3 million in funding and is a significant portion of our respective annual revenues. Further, we encourage the province to identify a solution that mitigates large assessment changes during implementation, and we further encourage the province to invest in the significant assets it owns at Casino Niagara and Fallsview Casino by expediting the development of a main attractor.

There has been discussion recently that the last part of the puzzle is the creation and construction of what we call a "grand theatre" that will have approximately 5,000 to 7,000 seats, and we know that this facility itself will provide more of the critical mass required to provide the attraction of the casino itself as a total entertainment venue.

This investment will pay off for local businesses and residents of Niagara Falls and the region by creating even more economic activity, both during construction and in operation. Further, it will be beneficial to the OLGC as it expands its local, provincial and international appeal.

We would like to thank the province as well in recognizing Niagara Falls as a viable destination for the GO service, both by bus and by train. The initial program has been a success, with more than 15,000 weekend trips this past summer, averaging well over 1,500 people per day. We encourage the province to pursue further investment in the GO service to Niagara Falls, with the intention of eventually expanding to full-time rail service. This investment will further expand the local commercial enterprises and benefit all residents and businesses, including provincial properties such as the casinos and Niagara Parks Commission, with many more increased visits.

Public transit is an initiative that has many benefits to residents. In addition, further investment in public transit will have long-term environmental benefits and is a significant green initiative that supports the recent Green Energy Act.

We encourage the province to expand on its funding initiative to local municipalities to modernize and to transform our transit fleets to more environmentally friendly vehicles. In addition, the coordination of transit services in the Niagara region requires provincial funding to provide inter-municipal service between municipalities in the region and the greater Toronto area. This concept was recently endorsed by our council.

Another initiative, the Ontario municipal partnership fund program, has been a stable source of funding to local municipalities throughout the province. While we recognize that the economic climate has changed and that there have been funding realignments between the province and the upper-tier governments regarding the cost of social services, we encourage the province to consider a multi-year transition period for reducing grants to local municipalities like Niagara Falls. Again, a stable and consistent funding model allows municipalities to plan for reductions, if any, in OMPF, with less impact on the residential taxpayer.

In Niagara Falls as well, as you know, we host millions of tourists annually. These tourists enjoy the natural beauty of the city, the Niagara Peninsula, the fine attractions, wonderful restaurants and world-class accommodations. In order to continue to expand the tourism industry, it requires significant coordination of marketing activities. We encourage the province to expedite the process of selecting the regional tourism organizations, known as RTOs, to ensure that funds can be immediately distributed and reinvested in our marketing efforts.

Another initiative that's a concern to us is the presumptive legislation recently with regard to firefighters. The recent expansion of the presumptive legislation to provide WSIB coverage to volunteer firefighters as well as full-time firefighters is a commendable program. The city, like all municipalities, recognizes the great efforts that our firefighters have made to protect and serve our citizens. However, we encourage the province to review the existing funding model, which appears to be punitive, whereby penalty and interest charges are assessed in a retroactive manner to 1960. Cities like Niagara Falls have depleted their reserves to compensate families of eligible firefighters due to the fact that these funds were previously unbudgeted, with claims averaging in excess of $450,000 per claim. Of course, to date over $2.5 million has been paid. The city requests that the province assist by providing financial relief for these claims, particularly as it relates to penalties and interest.

In closing, I am confident that you'll take this information back to Queen's Park and that the issues that are faced on the front lines of cities will be heard and will be considered as you move forward this term.

On behalf of the members of council and the residents of Niagara Falls, I thank you for your invitation to present our challenges and issues to you. We're available for questions, Madam Chair. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee. The questioning will go to the government side. Mr. Craitor.

Mr. Kim Craitor: Thank you very much, Mr. Mayor. I want to thank you for saying the words "thank you" to the government at least nine or 10 times in your presentation—well deserved.

A couple of short things: First, I want to thank you for the excellent relationship that we've had in my term as your provincial member of Parliament. I want to say, and for my own colleagues, that I was extremely pleased to have a chance to spend time with the mayor when we announced the funding for helping rejuvenate the downtown, when we gave the funding for family and children's services, when we gave $30 million to help, as you said, the convention centre move forward—the GO train. I want to tell my colleagues here, and I want to thank Jim Bradley: The GO train has been an enormous success. Without really any advance planning in terms of setting up an infrastructure to move the people in from Toronto and other areas, the volumes of people that have come here—I want my colleagues to hear this—have been enormous, and there's currently an EA going on to look at whether or not the GO train should go forward. It definitely should go forward, and Niagara Falls should be the hub of it, not St. Catharines.

0940

Mr. Mayor, I have a couple of questions I want to ask you. One was in terms of the revenue and a sustainable funding model. I wonder if, through yourself or through the CEO, you have any suggestions or if you'd like to submit some suggestions to the government on what would be a sustainable funding model that you think would help right across the province.

Mr. Ted Salci: Certainly. Our challenges have always been revenue declines and decreases. I'll let Mr. Ken Todd, our CEO, respond to that as well.

Mr. Ken Todd: Well, Madam Chair, one of the things that is very difficult for municipalities—if I could relate

to the OMPF funding, the announcement for the OMPF funding allocation for the upcoming year was made some time in December. That makes it very difficult for us to plan ahead, when that funding announcement is so late in coming. What we would like to see is some kind of financial support, either through OMPF funding or through an infrastructure plan, that would not see sort of one-off grant programs but something that would build a base into our budget so that we could ensure that some of those long-term capital projects are carried out. It's the uncertainty that hurts us. If I could relate even to the assessment model for the casino, along the same lines, we're saying that with some of the funding models that are being proposed, we could see a several-million-dollar hit on a reduction in our tax allocation that we would get from the casinos.

We're looking for a funding model that would give us long-term sustainability. We can't rely on one- or two-year shifts where every year or two we're having to come up with a couple of million dollars. That's probably meaning a 3% or 4% impact on our bottom-line taxes every year. What we're looking for is an amount of money that can be given, a long-term commitment that will give us long-term planning and a sustainable amount of money that we can build into our budget every year.

Mr. Kim Craitor: Chair, how much time do we have left?

The Vice-Chair (Mrs. Laura Albanese): A minute and a half.

Mr. Kim Craitor: Okay, I'll do this very quickly.

First, we had a great announcement the other day in terms of confirming that Casino Niagara would sign a deal where, instead of five years, which is how it was done by the previous government, we said 15 years. The employees were joyous, the community was joyous, and there was a sense of stability that Casino Niagara was here. In particular, one of the first announcements that came out that day was that one of the individuals, a businessperson, said, "I'm investing $70 million because your government has made a decision."

I just want to say for the record that it was something we worked on together with the mayor and the people in the community. I saw some criticism from my colleagues in the opposition saying this was the wrong thing to do for Niagara Falls. Would you just confirm to the committee that we worked together, and it was the right thing for the community to have an agreement for 15 years, to put in place a sense of security for the casino?

Mr. Ted Salci: Well, thank you very much, Mr. Craitor. As you know, this has been an issue that's been long-standing, and we understand that Casino Niagara was always meant to be an interim casino. As you know, the former Premier, Ernie Eves, had announced a two-casino model, and we were pleased that Premier McGuinty reconfirmed that position when your government took control. We are very happy, and as I said in the news, it was the simplest and easiest thing to do. We've been pushing for a long-term, sustainable model, of course, for the length of term of the lease, to ensure that at least there's one decent business cycle in there where the investment can be made properly. So we do appreciate the commitment; thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you again for your submission.

YELLOW SHIRT BRIGADE OF NIAGARA

The Vice-Chair (Mrs. Laura Albanese): Now I call upon the Yellow Shirt Brigade of Niagara to come forward. Good morning. You will have 10 minutes for your presentation; that will be followed by up to five minutes of questioning. I would ask that you state your name for the purposes of our recording Hansard, and you may begin.

Ms. Sue Salzer: Certainly. My name is Sue Salzer, and I'm representing the Yellow Shirt Brigade of Niagara. By the way, welcome to Niagara. When we visited Queen's Park, we were so very warmly welcomed up there. I hope that we're able to return the hospitality for you folks today. Get out and about; Niagara is a wonderful area.

Mr. Wayne Arthurs: They have my money.

Ms. Sue Salzer: You've made your donation. Thank you, sir.

Members of the budget committee, guests, supporters of better health care for the citizens of Niagara, thank you for a position following Mayor Salci. He's a tough act to follow on any occasion.

As you start your week of hearings across the province, I anticipate the letters HST will have a very familiar ring. I want to introduce you to three other letters: NHS, Niagara Health System. Unlike other presenters you may hear from, we've come today to say thank you. Yes, thank you for the infusion by our provincial government of additional dollars that you have dedicated for the health care of the residents of Niagara. Over the last six years, you have provided a budget increase of 42%, a figure frequently referred to with pride by former Health Minister Caplan, and certainly by the current health minister, Deb Matthews.

Having so said, I only have one question of you: Where did it go? Surely, as keepers of the public purse, you have a tracking mechanism that tells you of value for dollars.

We can report to you that this funding did not improve the quality of health care in Niagara. In fact, it was quite the opposite. Your 42% produced medical bed closures, operating room closures, program closures, emergency room closures and staff layoffs. The result? We have "code gridlock." Our emergency department wait times in the remaining facilities—NHS will tell you that they have the seven doors. The seven doors only consist of three remaining hospitals. The other four doors are conversions to places like walk-in clinics, urgent care centres, holding centres for chronic patients. Three functioning hospitals—one in St. Catharines, one in Niagara Falls and one in Welland.

Operations are delayed and cancelled. Just last week, I sat as a surgeon said, "On Monday I had a serious cancer

operation cancelled on me, delayed until Tuesday. On Tuesday I went in to do this cancer operation. Three o'clock, I am told, 'It is cancelled.' The reason? No bed." His quote, which we support, and he said this to the NHS board of directors, was, "More beds must not be closed," and yet 39 more beds are scheduled to be closed next month.

In Niagara, we have a death rate that exceeds the provincial average by approximately 36%. Is it any wonder that we continue to question the second-rate service we receive?

If the Niagara Health System were run as a business, the word "bankrupt" would be applicable. The NHS has a capital deficit of over $100 million. The NHS has an operating deficit of $18.8 million, the highest in the province. They have expended their line of credit, and a co-signer is demanded before more is forthcoming.

The new P3 hospital being built in the north end of St. Catharines will cost the same—$1.5 billion—as the new luxury Dubai hotel with 900 suites. The number of beds in the new hospital: 375.

Hospital building funds have been used for operating funds. This greatly incensed a certain mayor here in the southern tier. As an example of NHS mismanagement and their total lack of fiscal prudence, they closed two hospital emergency rooms. They saved $2 million per year by this closure. The result was it now costs $3 million a year in extra ambulance costs to run the patients from the southern tier up to the northern hospitals. Net loss: $1 million. Some savings that was.

0950

All the problems here in Niagara started in late 2008, when a hospital improvement plan was designed by the staff of the NHS and subsequently rubber-stamped by the LHIN board. Implementation of service reductions began immediately. Less than one year later, the LHIN reported that the hospital improvement plan will result in limited savings and will require significant capital funding, money that we know is not available. And yet the NHS proceeds with closures at an alarming rate. This is not an improvement plan, and objections are heard from all the municipal councils of the southern tier, citizens, and any patient who is caught up in the NHS system.

Now, where do you fine folks fit in?

We attest to the well-known fact that more funding is needed for health care provincially. We only ask of you, when it flows from your central coffers, that it have a destination.

That destination should not be for the grandiose LHIN headquarters. They have nine volunteers—supposed volunteers; daily per diem rates are pretty stiff, upwards of $350 a day—but this nine-member board has a lovely building all their own and they are supported by 32 staff.

That destination should not be for the $357,000 salary of a non-medical CEO, or for the 169 staff who are on the sunshine list, or for more consultants.

That destination should be for the care of the patient in the medical bed: for the cancer patient whose surgery keeps being delayed; for the mother who is carrying a dead fetus. That mother showed up for scheduled surgery twice. Two different times she was sent home with, "Sorry, your surgery is delayed." She travelled at 7 a.m. from Fort Erie to Welland for two different surgery dates. After the second cancellation, she was crassly told, "We can't fit you in till next week. Maybe you will spontaneously abort."

That destination should be for the patient held in the curtained cubicle in the emergency department for three days, waiting for a bed.

That destination must be for 18-year-old Reilly Anzovino, who might be alive today if the southern tier had an emergency room.

That destination must be for beds and medical staff. Even the LHIN chairman says, "Long wait times can be attributed to bed shortages." Yet across the province we see bed closures and medical and support staff layoffs.

In summary, our request to you is so very simple. Please take this as a stipulation to the Honourable Deb Matthews and the staff of the Ministry of Health and Long-Term Care. As future funding is released to support health care in Ontario, every additional dollar should be destined to support actual patient care. Additional funds should not be peeled off by the super-LHIN. Additional funds should not be peeled off by the LHINs, by consultants, by committees, by study groups, or by administrative groups like our NHS. It's now their time to practise fiscal prudence and live within their existing budgets. If there is 1% or 2% forthcoming, let it be assigned to the patient and to the hospital beds.

The Vice-Chair (Mrs. Laura Albanese): Thank you, but your time is now up. Thank you for your presentation.

Ms. Sue Salzer: Thank you.

The Vice-Chair (Mrs. Laura Albanese): This round of questioning goes, I believe, to the Conservatives.

Mr. Toby Barrett: Yes. Thank you, Chair. My colleagues have some questions as well.

Kudos to the Yellow Shirt Brigade. I see about half a dozen yellow shirts in the audience here. Your presence is certainly well known at Queen's Park.

The closing of emergency departments has much of rural and small-town Ontario quaking in their boots. You've been part of the demonstrations up there. One rationale we hear in this area is, "You have the advanced, trained paramedics who can deal with this, and ambulances"—you talk about an additional $1-million cost, and I worry about the travel times in the north. Is that the only rationale or is that a valid rationale for shutting down the emergency at places like Fort Erie and Port Colborne?

Ms. Sue Salzer: Sir, to this day we haven't heard exactly a reasonable rationale, especially when it is not dollar-related. You can't close two emergency rooms for $2 million and yet incur the cost of $3 million in ambulance, so that isn't a rational answer. To this date, I have to say, as often as we've asked the question, "Why must our ER be closed?", we have never received an answer.

Mr. Toby Barrett: Okay, thank you.

Mr. Peter Shurman: Thank you for being absolutely unequivocal. I'd like you to be unequivocal in response to this question as well. You've talked an awful lot about—and I'll use your word—mismanagement at the NHS and you've also implicated the overall structure, the LHIN structure, here. Would you lay the blame for the situation that you describe in fairly negative terms at the feet of the NHS or the Ministry of Health?

Ms. Sue Salzer: I think it's joint responsibility. Although there has been a lot of funding forthcoming over the years from the Ministry of Health, for which we do thank you, I think that the biggest problem is, it is getting peeled off before it ever reaches the level of actual patient care.

When you think about the number of layers that it has to trickle down through—that's why we're asking that any funding that is forthcoming over and above existing budgets, put the caveat on it; insist that this is for the medical floor, the medical patient, the support staff that goes with those beds, the dietary staff, the cleaning staff, the physio staff, the occupational staff, and it will not be allowed to supplement further consultants, salaries, boards and committees. When you send 2% down, by the time it hits the bottom floor of that hospital there's very little left.

Mr. Peter Shurman: Let me not put words in your mouth but let me ask you: Is it reasonable to characterize the situation that you've got as "insular" insofar as the relationship between what's being delivered here in Niagara and the Ministry of Health because of these layers that are in between?

Ms. Sue Salzer: Yes. It's very difficult to ever get direct answers because everybody passes it off to the layer up above. When you ask if I would blame the management of NHS, I definitely would, and it's not just my voice; it's not the voice of the yellow shirts; it is the voice of—the council passed a resolution in Niagara Falls calling for an investigation of the NHS. This was supported by the council of Port Colborne, by the council of Welland, by the council of Wainfleet. In addition to that, our Ontario Nurses' Association has demanded an investigation of the NHS through the public health act. So our voice, although it's sometimes a little louder than other voices—we don't stand alone. The people of the southern tier have had enough.

The Vice-Chair (Mrs. Laura Albanese): Less than a minute.

Mr. Norm Miller: I guess I get to ask a short question, then. Where do you see health care going in the future, both in the Niagara area and in the province? The situation you described is very much what's happening in my own area of Parry Sound–Muskoka. Also, how do you feel about the LHINs? Are they helping the situation or are they siphoning off the dollars that should be going to front-line services?

Ms. Sue Salzer: They're very much a siphoning body. Health care in Ontario existed and existed very well before the super-LHIN board was put in and the LHIN board was put in. I understand that in front of you in the upcoming session there will be an NDP motion to have LHINs and the NHS board of directors elected by the people, responsible to the people and transparent to the people. What a novel idea.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation.

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SOCIAL ASSISTANCE REFORM NETWORK OF NIAGARA

The Vice-Chair (Mrs. Laura Albanese): We call now on the Social Assistance Reform Network of Niagara Falls. You have up to 10 minutes for your presentation. There could be up to five minutes of questioning. Please identify yourself for the purposes of our recording Hansard. You may begin.

Ms. Gracia Janes: Thank you. I'm Gracia Janes, the chair of the Social Assistance Reform Network of Niagara, not Niagara Falls—and Diane Corkum from Project Share, which is in Niagara Falls.

We're comprised of several front-line agencies across the region and we have, as member groups and individuals, been working towards the realization of the social welfare reforms of Judge George Thomson's Social Assistance Review Committee for 22 years. We've appeared before many finance committees of four different provincial governments and we've met with various MPPs and, at the federal level, various MPs.

In December 2008, as the economic downturn began to gather strength, we commended the government for its plans to reduce family and child poverty by 25% over five years, invest in a community opportunity fund, provide stable funding for rent banks and social housing infrastructure and repairs, make fairer welfare rules, enhance employment standards enforcement and remove RGI and OSAP barriers to financial independence.

In the spring of 2009 we commended the government for the speedy implementation of the increase in the OCB and for the benefits transferability between work and social assistance income, but noted that the basic Ontario Works benefit was reduced, so the overall increase to families was minuscule.

Now, as the government moves ever-slowly along its poverty reduction path, we can commend it for its recent establishment of an Ontario deprivation index and a hands-on advisory committee to ensure that their strategy meets the needs of low-income Ontarians. However, unfortunately, we appear to be even further away from achieving this latter goal, and here in Niagara the picture is bleak. This is a community in crisis mode, whose regional and municipal governments, community front-line agencies, charities and the general public are doing their best to cope but need immediate help.

The condition right now: Between 2005 and 2009, Niagara lost 7,000 manufacturing jobs, which represented a 23% employment decline in this sector. Over 1,000 of these jobs were lost in 2009 and GM is down to

1,700 employees. For the most part, Niagara's jobless rate has been the second highest in Canada for over two years. While the situation may improve in the next year and a half due to the influx of federal-provincial infrastructure dollars, this is not a long-term fix and will not make up for the dramatic job losses in the manufacturing sector. We hear from employment agencies and others that the real unemployment rate is much higher.

Low-wage jobs are hard to access for the many skilled workers, and even highly educated young workers find the going very difficult. For example, 3,500 people applied for 50 jobs at the new RONA store in Welland on January 12. Even before the sharp economic downturn, incomes in Niagara were below the provincial average. The heavy reliance on jobs in the tourism sector, with provincial plans for new, large investments here, will not make up for these higher-wage industrial-sector jobs lost over the last few years.

Access to jobs between most parts of the region's 12 communities is severely restricted for those without cars, as there is no region-wide transit system and attempts to set one up have floundered for over 20 years.

Last Friday, the YWCA Niagara received word that funds for its very successful employment-for-women program in St. Catharines, the only one in the region geared towards the specific needs of women, would be cancelled. The St. Catharines Job Gym program, which was geared toward the needs of youth, was cut as well. Both these provincial cuts seem particularly counter-intuitive, given the lengthy and successful track record of these two agencies and the ever-growing employment needs of this, the largest city in the region, in which disadvantaged women and youth, along with older laid-off workers, stand at the back of the employment lineups.

Many people are running out of EI, and for older workers the job market is almost impenetrable. Front-line agency workers report of increasing numbers of homes being lost as people fall behind on their mortgage payments and banks foreclose.

To qualify for social assistance, the above-mentioned workers and others who have been unable to find jobs must divest themselves of all but a pittance of their financial assets.

Region of Niagara social assistance caseloads have increased 20% over the past year to 8,902, which represents 17,834 people and 6,079 children, about 43%, and the number of applications continue to steadily increase. The average length of time people receive social assistance has lengthened over the past year from 13.5 months to 20 months, a sign of our worsening job situation. Food banks report increasing numbers of out-of-work families, some of whom used to give help to these agencies, accessing their services for the first time.

Government clawbacks to the basic welfare rates for the family unit mean that families with children are still receiving less than they were 18 years ago in 1992, in the midst of another recession. A single parent with one child is over $5,000 below the poverty line. Single individuals now receive $585 per month. That's only $65 more than they received 10 years ago in 1998.

As of November 1, 4,506 households, or 8,321 people, were waiting for affordable housing. That's a 19% increase in the number of applications. The wait-list does not capture the full need for affordable housing, as many households in need do not bother to apply once they are aware of the long wait times. Many stay in substandard conditions or live in cramped, overcrowded environments or pay in excess of their income for shelter. Most social assistance recipients pay well over 30% of their income on rent, and many pay over 50%—often for substandard housing.

Front-line agencies back this latter point up and report that, due to provincial restrictions on what can be spent on shelter and the fact that the basic shelter components are well below the market rents, caseworkers are increasingly required to red flag recipients for paying too much, and some are pressured into moving to cheaper quarters or staying in cheap quarters that are substandard. One front-line worker reported that he knew of a mother who was only able to afford a unit that had exposed wiring.

Regarding the other community services, we note some of our issues of concern. For instance, there has been an uncertainty regarding ongoing funding and long-term investments in supportive housing, child care, mental health services, employment support programs and other programs. For instance, because of cuts to federal funding, many child care spaces may be lost, and co-operative housing will face challenges as mortgages come due soon and federal support runs out.

We are fortunate in Niagara that our regional Niagara government has spent almost $3 million between 2008 and 2010. To date, 37 community development programs, administered by a variety of agencies, are taking place in at-risk neighbourhoods in Niagara. However, these programs change from year to year and are not region-wide. Given the depth of our economic crisis, the rapidly growing social assistance caseload and drain on other community services, as well as uncertain federal and provincial funding, it is unclear as to how long regional investments will continue.

Economists say that investments in people have huge economic benefits. For example, a University of Toronto study in 2008 showed that people in the bottom 20% of incomes in Ontario are more likely to have chronic conditions, and a $1,000 change in annual income in the bottom fifth of the population would produce 10,000 fewer chronic conditions and 6,600 fewer disability days over a two-week period.

We urge this committee to recommend the following investments, as supported by many groups, that I've listed here:

—a restoration of the basic needs allowance to the levels of June 2009, as requested by the city of Hamilton's mayor;

—a $100-a-month food supplement in 2010 to alleviate chronic cycles of hunger;

—an indexed Ontario housing benefit for all lower-income families and adults to ensure that shelter costs do not exceed 30% of gross income;

—an immediate increase in the maximum Ontario child benefit payment to $1,500 per child, indexed;

—the establishment of a social assistance rates board to set social assistance rates and processes for providing social assistance, as recommended by Ted McMeekin in his bill in 2007—I think it's Bill 235;

—adequate core funding provided directly to child care centres and an improvement in the wages and benefits of child care workers;

—designated funding to save threatened child care subsidies;

—dental, drug and vision coverage to low-income workers and preventive dental care for those receiving social assistance;

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—further increases to the social assistance rates, tied to the rate of inflation, in order to pull people above the low-income cut-off line, as Newfoundland has done;

—an increase in the minimum wage to a living wage;

—investment in mental health services for youth in many areas of Ontario, such as Niagara;

—mental health centres for all ages, with a program to ensure that people get the help they need when coming back into the community;

The Vice-Chair (Mrs. Laura Albanese): You have 30 seconds left.

Ms. Gracia Janes:—initial and ongoing substantive catch-up investments in affordable, accessible, appropriate housing;

—immediate evaluation and renovation of existing housing stock so that its use can be extended at least 40 years;

—multi-year investments in public transit;

—an allowance for the retention of earned income until people are truly independent;

—an investment in people with disabilities;

—a cancellation of the recent cuts to the YWCA and the Job Gym employment programs;

—a retention of assets for people of $5,000 and families of $10,000, and an increase in the allowance—

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Ms. Gracia Janes: How much time?

The Vice-Chair (Mrs. Laura Albanese): Just finish that. You're already over.

Ms. Gracia Janes: Oh dear. Could I go to my—

The Vice-Chair (Mrs. Laura Albanese): That'll be fine. Thank you.

Mr. Michael Prue: It's my question. My question is, please continue.

Ms. Gracia Janes: Well, thank you. I'm allowed to continue? Thank you. I did practise this but it just didn't work.

The Vice-Chair (Mrs. Laura Albanese): That's fine.

Ms. Gracia Janes: —an increase in allowance for grandparents supporting grandchildren to the same level as foster parents.

In conclusion, I'd ask you to think of these four Hs: health, hiring, housing and help for those in need as you advise the government of what key investments must be made in 2010. We've heard from the Minister of Community and Social Services that the ministries must tighten their belts and that her ministry's priorities are health, jobs and education.

Therefore, we ask the following questions:

What is more important than an adequate income to provide healthy food for those in need and lower health costs in the future?

How can children take advantage of their schooling if they are hungry and how can poor parents work if there are not enough child care spaces?

What good is served in adding provincial dollars to the OCB while taking dollars out of the basic benefit? Don't children live in families who have to take care of them?

How much attention should be paid to medical experts who ask for adequacy?

Why wouldn't the government take advantage of the available savings provided by investments in housing?

Why not break down the ministerial silos regarding expenditures and savings and do a cost-benefit analysis and then move from there together?

What would be the financial benefits of taking advantage of the many jobs that can be created in the housing sector?

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

Mr. Michael Prue: How much time do I have left?

The Vice-Chair (Mrs. Laura Albanese): Oh, you have about—well, we're at one minute thirty seconds into your time, so three and a half minutes.

Mr. Michael Prue: Okay, terrific. So I get three and a half minutes of questions.

Ms. Gracia Janes: Excellent.

Mr. Michael Prue: What you've set out here is a very ambitious program, I think one that I heard many Liberals talking about last year or the year before when Deb Matthews had that file, and they promised great things. What I'm hearing from them today is that there is no money at all, that there's going to be belt-tightening and that poverty is no longer a priority. Have you heard anything different from what I'm hearing?

Ms. Gracia Janes: No. I've heard various ministers—I've been to Queen's Park with the council of women and I've read the report from another group that met with the minister, and it seems that social assistance and those kinds of expenditures are just the same as any other and that we have to tighten our belts and share. That's what we hear. We don't hear anything about spending money. There's a lot of talk. I mean, they've set up this committee, and they're going to be talking for another year.

I guess our position is, they've been talking too long. We've been talking since Deb Matthews became the assistant to Sandra Pupatello. We've moved on some of the rules, we've moved on some expenditures, but we have a real problem in that we're no further ahead than we were in 1992 in terms of welfare rates.

Mr. Michael Prue: One of the most egregious things—it's all egregious, but one of the most is that people are expected to have their assets go down to $585 before they're eligible for welfare. Even right-wing economists will tell you that once you get that low, it is almost impossible to dig yourself back out. It wouldn't cost the government any money if they allowed people to retain $5,000, $10,000, whatever it was. When they need the assistance of the state they should get it. Do you think that this is something that won't cost that much money? Do you think that they should do it?

Ms. Gracia Janes: I think absolutely they should do it, absolutely, so that people have that time—they only have a short time, and then they have to somehow go out and find a job that isn't there and they have no money for contingencies. They can't get welfare—and they're just finding that out; in Niagara, they're just finding that out. We found out from the front-line people that people are shocked; they're appalled; they're devastated. What can they do? They don't have any money to fall back on. How much does it cost to get a bridge for your tooth? I know: $2,600 last year. That would take half of what even we think is reasonable for a single person. It doesn't make any sense.

It's the same as the job program. You go two steps forward, you have wonderful programs, and they're cut. It's counterintuitive. People need that money, and it doesn't cost the government anything.

Another thing that wouldn't cost them anything is if the ministries would get together and do this cost-benefit analysis quickly and then just share that cost so that you can't pass the buck. It's like passing the buck: "Sorry, I can't give you this money because all the ministries are cutting back" and such.

What's most important? It's most important that people get jobs, it's most important that you support them in getting those jobs and it's most important that children are fed properly. It's important that people not be living in substandard conditions.

Another thing that wouldn't cost much—I mean it would cost a lot, but you'd get all sorts of other dollars—is housing. It is building those houses—

The Vice-Chair (Mrs. Laura Albanese): Ten seconds.

Ms. Gracia Janes: —because that's the way it goes: more jobs.

Mr. Michael Prue: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that.

AFFORDABLE HOUSING FLAGSHIP

The Vice-Chair (Mrs. Laura Albanese): We'll now call upon our next presenter, and that would be the Affordable Housing Flagship. Please come forward. You have up to 10 minutes for your presentation; that will be followed by up to five minutes of questioning by the government side. Please state your name for the purposes of Hansard, and you may begin.

Mr. Jeff Neven: Good morning. My name is Jeff Neven; I'm the co-chair of Hamilton's Affordable Housing Flagship. I've brought my colleagues here: Larry Huibers on my left, who's also a member of the flagship, and my colleague Renee Wetselaar, who's our project director for the flagship.

Who we are is a multi-sector group. We represent people of government, volunteers, labour, business and non-profits. It's actually a pretty neat group. We have a diverse set of people represented there, from bankers to real estate to builders to social workers. We all come with one objective, and that's affordable housing in Hamilton.

Why we've come here today is, first of all, to say thank you. Specifically, I want to say thank you for the commitment to funding affordable housing. In 2008 in Hamilton, there were 162 units of affordable housing built, so I say thank you. I say thank you particularly as a good-news story.

We have a package, which I hope has been passed out to you, that has a Hamilton Spectator article attached to it. You'll see a bunch of bullet points in there, and you'll see a wonderful program called Hostels to Homes. This is a program where your government allowed the municipality to use dollars that would be going into hostels to reallocate those into a program called Hostels to Homes.

Let me just be frank about what this means. The city of Hamilton has developed this program to get people out of shelters and into housing. It has been extremely successful. As a flagship, we applaud their work; 145 people in a time span of I think just over a year were housed. These are 145 people who are chronic users of homeless shelters. After 18 months, 110 of them were permanently housed, so there were some who didn't make it, but the vast majority stayed permanently housed. Last year, in 2008—I guess that's a year and a half ago now, but those are the last stats we have—there was a reduction of 18,000 bed nights in the shelters in Hamilton because of this program. What that is is a good-news story because the government allowed the city of Hamilton to use funds that were purposeful for shelters and to reallocate those into a creative solution that works.

There's the good news. The challenge: Let me tell you about a woman. I'll call her Betty. I've been in touch with Betty over the last couple of years. I ran into her again last week, and I asked her how she was doing. She said, "I'm back living in"—I won't use the name, but they're notorious apartments. Maybe you've seen it in the news where the landlord has been jailed for turning off the electricity and heat. She's back in those apartments. She's back living with her abusive husband. So what happened? Well, she has a disability. Her husband also has a disability. They live on disability. On top of her mental challenges, she has physical disabilities. She has cancer.

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She looked for an alternative to living in her setting—no heat, no hydro, an abusive husband. She ended up in a

home called a domiciliary hostel. Hamilton disproportionately has 1,000 of the 4,000 beds. Some are very good, but the majority are not. She experienced lack of privacy, lack of security and abuse from residents and staff. She chose to move back with her abusive husband to an apartment that routinely has its electricity shut off because it was the best choice. There's a problem.

I asked Betty, "But what about affordable housing? Couldn't you get in there?" She said, "Sure." I checked into the numbers this week, and Hamilton's affordable housing wait-list has grown. It had been plateauing for a number of years at around 4,000 households. This past year, due to a number of reasons, it has grown to 5,300 households. The wait-list for a single person looking for affordable housing—this was with the old number, 4,000—was already over 10 years. Somehow, Betty had to anticipate that she was going to get cancer and that her husband would start abusing her in 10 years so that she could get affordable housing.

In Hamilton, over 20% of renters spend more than 50% of their income on housing, shelter. It's not sustainable. It leads to homelessness. It leads to living in survival mode just to keep the house over your head and never really being able to get, as Maslow would say in his hierarchy of needs, to self-actualization—just struggling with the basic shelter over your head. We're not even talking food yet.

While I started by saying thank you, I say thank you because I know there is something that you can do. I know that there are creative minds around this table and in government and our community, and I hold out hope that collectively, we can change something. Collectively, we can make a difference. Collectively, we can help Betty.

I ask you not to only maintain the commitment for affordable housing but to make sure that's a robust commitment. I know that for 2010, the dollars have been allocated, and the commitment for the following three years has been allocated, but no dollars have been assigned. I challenge you to push your federal counterparts to match dollars that will make a difference.

While I said thank you for 162 units built in 2008, our numbers show that we need over 600 units per year to meet the need. I challenge you to find a way to commit to affordable housing. I challenge you, as my colleague who was here earlier stated, to look at the housing allowance for social assistance. One very practical way: If the housing allowance was somewhat in keeping with the actual cost of housing, then the private sector could be involved in that solution. If people with their social assistance could actually afford even the bottom end of the market, there could be a solution. So, please: A little over $460 a month for someone on disability is not enough. It can't be done.

I challenge you to have a commitment to housing particularly for those with the lowest incomes. Of these 162 units I talked about, very, very few, if any, were suitable for someone who is on social assistance. The housing list continues to grow. We need a solution for those folks.

I thank the government for doing a long-term strategy for housing, but I really challenge that it crosses ministries and gets outside of just housing and goes into the Ministry of Health, for those who are struggling with physical disabilities, mental disabilities and developmental disabilities, and into the Ministry of Community and Social Services as well, and that it becomes a shared strategy, not just a siloed strategy.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. Before I turn it over to the government side for questioning, I would just like to remind everyone who is present to please silence their cellphones. That would be much appreciated.

Mr. Arthurs.

Mr. Wayne Arthurs: I'm going to leave a bit of time for Mr. Craitor for a question or two as well, so I'm just going to start with one I have.

First I want to extend my congratulations. I'm just looking at your cover page, the Affordable Housing Flagship, the structure you have in place, the partnerships that are in place to make it work, clearly identifying a vision, some basic principles that you have. I would think it makes your efforts a little bit easier but it certainly helps us as well in being able to see the work that's being done.

Each of the organizations that we will see today and during the course of the week will have to be here to advocate on their behalf and for their needs. We understand and respect that process.

My question in effect will be, in addition to the thank you for thanking us, but apart from that—which is always appreciated—we know the fiscal constraints. We know them throughout the country, throughout the province. If the same number of dollars were available—and that's no guarantee, in this particular fiscal environment—if they were available for each ministry, for each program, how would you prioritize the existing dollars to maximize the benefit for your organization, for the folks that you're advocating on behalf of? That's the kind of question I'm going to be asking during the week: How would you prioritize the existing dollars if those were available for the purposes of your organization? I know it's not the question people want, but that's the one I'm going to be asking, I think.

Mr. Jeff Neven: The Affordable Housing Flagship recognizes the continuum of affordable housing and the need for it, right from shelter to affordable home ownership.

The segment that has had the most funds go to it is the 80% of market rent, so the 80%-to-market. It has been a very narrow focus on where the funds are going in affordable housing.

I would look to lower than that, to rents that are 65% of market and finding a solution for people who are in that area, as well as looking at the other end of the spectrum, to start to look at what affordable home ownership looks like and how we can help people to move from a renter environment into affordable home ownership.

Mr. Wayne Arthurs: So in today's world, then, it's looking to those in a lower bracket, from the standpoint

of getting them to housing, as one priority, and the other combined priority, is moving folks into home ownership, where we've captured, to a fair extent, that piece in between, if not fully captured by any means, but it wouldn't be today's priority with the dollars available.

Thank you, Chair. Mr. Craitor, I know, has a question.

The Vice-Chair (Mrs. Laura Albanese): Mr. Craitor?

Mr. Kim Craitor: Thank you very much. First I will echo the same comments as my colleague. It's nice to hear a thank you. We tend to hear at Queen's Park that we're doing nothing right. There's always more to do, and we know that. But it's nice that you acknowledge in Hamilton, for example, that some homes were put in place and people benefited.

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I will share with you: I am blessed with representing the riding of Niagara Falls, Niagara-on-the-Lake and Fort Erie, so I'm on the front lines. People are coming in every day looking for affordable homes, affordable accommodations. In our area, it's delivered through the Niagara region.

I was there. I was a member of city council when the government of the day downloaded it all on to the region, and they've had a lot of difficulty. I know some of the regional staff are here and trying to deliver something that they were not prepared for, having incurred an enormous amount of cost, as well; the way that it was done was not revenue-neutral. But I just wanted to share with you: When you sit in a provincial member's office, an MPP's office, you have organizations like yourself that come in and you support them wholeheartedly. When you leave, the next group comes in, lupus: "You're not giving us enough." The next group comes in, ADHD: "You're not giving us enough." And when the next group comes in, autism: "You're not giving us enough"—it does become a challenge for any government to try to say one priority should be above the other. You're trying to balance all of them. I'm only just trying to share with you, and I know you understand that. That's the challenge that we all face, no matter who's in government, how you can get everybody everything that they want and they're all satisfied with it. So, I know you can't answer that, or maybe you'd like to. I'll give you a few minutes.

Mr. Jeff Neven: I'm going to let Larry talk. I think you've got to push your button there, Larry.

Mr. Larry Huibers: You bring up an excellent point. You're feeling the exact same pressures that the households that we support feel every day. They're making hard decisions on where their limited resources go, and they're not comfortable with some of those choices. You're making those same hard choices. I ask you to apply that same empathy and understanding to how that will impact on those who are making those very difficult choices: "Am I going to pay for rent or am I going to pay for food?"

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation.

NIAGARA REGION

The Vice-Chair (Mrs. Laura Albanese): We will now call upon the Niagara region to come forward. You'll have up to 10 minutes for your presentation, which will be followed by up to five minutes for questions. This rotation will go to the official opposition. If you could please identify yourselves for the purposes of our recording Hansard. Thank you very much. You may begin.

Mr. Dave Augustyn: Thank you very much. I appreciate the opportunity to be here. My name is Dave Augustyn. I'm the mayor of the town of Pelham. I'm representing regional chair Peter Partington, who couldn't be here today. With me is Mike Trojan, the CAO—chief administrative officer—of the Niagara region. We want to thank you and members of the committee for travelling today to be here, coming through the fog that's out there today. Usually you can see the Falls from here. Member Craitor will certainly attest to that, no doubt, and perhaps the mayor of Niagara Falls indicated that during his presentation earlier today.

We're representing the Niagara region, but I just want to tell you a bit about the town of Pelham, very quickly. It's right in the centre of the Niagara region. The population is about 17,000. It's the highest point in the region, in the Fonthill kame. The region is made up of 12 diverse communities, and the region is the upper-tier level of government in Niagara. In the package there should be information about the 460,000 people who live here in Niagara and call it home.

We circulated, I believe, a slide deck that contains for the committee the Coles Notes version of what I'm going to be talking about in the presentation on behalf of the regional chair and regional council. The purpose of the presentation is to give you a Niagara flavour which hopefully will be considered as you help prepare the provincial budget. Specifically, we're going to provide a quick overview on the state of the economy here in Niagara to stress the importance of predictable and sustainable funding for infrastructure and social programs, to thank the government for its ongoing assistance in this regard, and to recommend that the government work harder to control the provincial arbitrator decisions.

The state of the Niagara economy: While Niagara ranks number one in Canada as a tourist destination, I regret to remind you that Niagara ranks number two overall in Canada for unemployment. At 10.8%, we rank second only to the city of Windsor, which is around 13%. On average, our citizens tend to be older, tend to have greater health problems, and are worse off economically than the rest of the province—on average.

Between 1997 and 2007, the Niagara economy grew by 26%, while the Ontario overall economy grew by 38%. During the same period, we experienced employment growth of 13%, in contrast to Ontario, which grew by 28%. We have been particularly hard hit with the loss of manufacturing jobs, the closure of the John Deere plant in Welland, Dana Corp. in Thorold, Atlas

Specialty Steels, and CanGro Foods, and the downsizing of General Motors, to name a few. In general, our household incomes are lower, and our youth are feeling that they have to leave Niagara to find good-paying jobs. Despite our number one rank as a tourist destination, even the tourism industry is lagging because of the downturn in the economy and other things, especially in the U.S.

But some realities that show how we feel we are in position for the future: First, Niagara is above the provincial average for producing college graduates, those who are workforce-ready. Niagara is strategically located, because we're within a trucker's daily drive to over 50% of the North American market. The popularity of our border crossing is actually surpassing that of Windsor and Sarnia. This trend supports the need for a GTA-to-Niagara corridor. We're also a region of entrepreneurs, with diverse business growth. In fact, we have an above-average number of small and medium-sized businesses, and investments like the Brock biosciences centre will help to incubate future businesses.

Niagara is working to create niche markets to see the real potential in alternative energy. Niagara Falls, certainly—and the rest of Niagara—is known as a huge success in renewable energy. We want to be involved at the forefront of that, so the region has participated in an initiative called Wind Niagara with a company locally. We've developed a small corporation to attract and grow wind power components, and our geographic positioning makes Niagara a perfect location for that. We also have the Abitibi paper mill building a half-billion-dollar cogeneration system at its Thorold mill, taking advantage of renewable energy.

We want to thank the government for the recent investments, and we want to acknowledge many examples of provincial assistance that we're benefiting from. We've received many millions of dollars from the stimulus packages. In fact, I did a calculation that in local jurisdictions, the area municipalities like Pelham, the province has invested $65 million, and on the regional side another $30 million. So more than $90 million of provincial stimulus spending has been invested in Niagara. That brings the total share, when you combine the federal with the provincial with the local, to $190 million worth of stimulus works being done. We sincerely appreciate that, your ongoing commitment to the widening of Highway 406, and the assistance in making the Niagara Convention and Civic Centre a reality. That's being constructed here, and you can tour that and see that. You've also helped with the creation of the Vineland Research and Innovation Centre, with things like the Niagara ambulance communications pilot, and also the uploading that the government has done and announced, with the municipal fiscal, provincial—Mike knows it, maybe.

Mr. Mike Trojan: Provincial fiscal services.

Mr. Dave Augustyn: The services review for municipalities in the province has certainly assisted the region with its finances. We're worried, of course, about the uploading costs, because those affect social programs, and we want to make sure that those continue. Especially in this economic time, that uploading needs to continue.

We realize the current state of the economy provincially and the province's fiscal situation with your $25-billion debt. We realize that most of that debt is because of the significant investments that the government has made that I've outlined, here in Niagara and elsewhere, and it's an effort to create jobs. We want to thank you for that investment and for the focus to create jobs.

I think the message we'd like to give here, aside from thank you, is that there is a need for ongoing, predictable investments. Long-term, stable funding is our largest area of need. Members may not be aware of the survey that was just released last week by the Federation of Canadian Municipalities. This survey of Canadians indicates that 96% of Canadians want the government to maintain or increase spending for local infrastructure. Canadians feel that we are lagging behind in infrastructure improvements and see that as a threat to their future prosperity. The survey says do not balance your books by cutting much-needed investments in our community infrastructure. That was released just last week.

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In Niagara, we estimate our long-term infrastructure needs to bring our existing infrastructure to its optimal state of repair and to grow our system to match anticipated growth will cost approximately $1.6 billion over the next 10 years, and then there are the needs of the area municipalities to add to that. In contrast, we estimate that Niagara's taxpayers can afford to pay for about $1.3 billion over the 10 years; that leaves a $300-million funding gap over 10 years. I say "Niagara taxpayers" because we use an ability-to-pay philosophy at the region. We endeavour to tax well below the average annual increases in household income.

We agree with the province that infrastructure spending is one of the best and quickest ways to stimulate the economy and get people back to work. When people are working there's less strain on our jointly funded programs, which include the province, the region and social programs.

Niagara is currently also debating whether and how to integrate the existing transit system of Niagara Falls, St. Catharines and Welland into a regional transit system. Good transit could help serve students, employees and those looking for work. It could also be a better link for tourist features and the recently-extended GO Transit to Niagara. We know this is a focus of the provincial government and we encourage you to continue to provide the gas tax revenues for replacement vehicles.

The Vice-Chair (Mrs. Laura Albanese): We have about 50 seconds.

Mr. Dave Augustyn: Another item, the final item, is arbitrated settlements. I'm going to change course here a little bit. Over the last number of years, municipalities have been faced with escalating costs for labour, especially when it comes to fire and police services. A lot of this is because of the arbitration that has occurred with

settlements. What we're looking for is the province to come down quickly and hard and say that these arbitrations must look at the community in which they are arbitrating. They must look at the existing impacts in the community and they must look at the employer's ability to pay. I know they do that, but this is specifically for municipalities to look at the economic situation in the municipalities.

The Vice-Chair (Mrs. Laura Albanese): Thank you, but your time has expired. Thank you for your presentation and I would turn it over to the official opposition.

Mr. Norm Miller: Thank you for your presentation this morning. It seems to be a popular theme that having some predictable funding so that you can plan ahead and know about it from year to year—and even 10 years out, especially in the case of infrastructure—is the wise thing to do. We've certainly heard from the health care system that they don't know what their budget is going to be for next year starting April 1, and we heard from other municipalities that they don't know what their OMPF funding is going to be.

I know for the federal funding you get the gas tax. That's predictable, it's a percentage and it's over the long term. Have you got suggestions for the way you'd like to see long-term, predictable funding organized?

Mr. Dave Augustyn: I think some sort of program similar to the federal program for gas tax would be the suggestion. The province does have a provincial gas tax provision but that's for transit. That's why I talked a little bit about transit: The Niagara region is entering into that debate and may well go along that path. If we do, it's important that that vehicle—pardon the pun—is still there for funding of transit.

But I think if there's some sort of predictable nature for infrastructure funding to the area municipalities that would be of great benefit. For example, the Investing in Ontario Act that came out a few years ago was wonderful news and it supported a number of communities but it was sort of dropped on our laps and we didn't know too much about it. It's better to be predictable so that we can plan for it and budget accordingly.

Mr. Norm Miller: I don't have much time and I know my colleagues want to ask questions so I'm going to put two questions together. Arbitration: Can you summarize how much police and fire costs have increased in the last few years? It's obviously something that's becoming more expensive.

Also—totally unrelated—tourism: I know it's extremely important to your area. Are you getting enough marketing dollars? And the recent changes provincially—is anything happening on regional tourism marketing?

Mr. Mike Trojan: I'll start on the increased costs for emergency services. In terms of our police budget this year, we've tried to establish a guideline where costs are increasing by no more than 2% or 3% so that we're hoping our overall tax increase, we're hoping, is going to be between 1% and 2%. Police, for example, with their budget being driven 85% to 90% by salaries and wages, can't get their increase anywhere below about 4.5% or 5%, so that means it's consuming a disproportionate share of that tax increase. Other things have to be pared back in order to accommodate those kinds of increases.

Mr. Dave Augustyn: In terms of tourism, the province just came down with some recommendations for various regions. That sent us all here in a tailspin because various venues—Niagara Falls, Niagara-on-the-Lake etc.—take care of tourism for their own areas, generally. Now the province is suggesting that it should be combined, so we'll have to figure that out. I don't know if I have a specific answer for you on that.

Mr. Norm Miller: I was just wondering if it had actually happened. I'll pass it on to my colleague because I know he wants to ask you something.

Mr. Peter Shurman: Thank you. I find it passing strange to listen to you talk about having the second-highest unemployment rate in the province and then nodding acknowledgement towards the McGuinty government. Let me ask you something very specific, and we have very brief time: You mentioned an initiative called Wind Niagara which wants to get involved in renewable energy from what is arguably the greatest energy source ever in the province of Ontario—Niagara region. How does Samsung, the investment that the government has just recently announced, impact your effort?

Mr. Dave Augustyn: I don't know if we have an answer for that right now. Mr. Trojan?

Mr. Mike Trojan: Yes, we're not certain. As Mayor Augustyn has mentioned, we've partnered with a local construction company for the placement of five windmills on the Lake Erie shore. That's our contribution to it; we're in a 50-50 partnership—

Mr. Peter Shurman: But you don't know at this point what the impact would be because the deal that has been made would take up about half the capacity that has been allocated. There are a lot of independents who are going to be left out in the cold, notwithstanding the investment they made in their plans. That's the context in which I'm asking the question.

Mr. Mike Trojan: Yes, we're not certain of what that impact will be.

Mr. Dave Augustyn: It's just so recent, the announcement, and regional council certainly hasn't dealt with that. I anticipate those questions as we move forward over the coming weeks, but we don't know the answer right now; I'm sorry.

Mr. Peter Shurman: Okay.

The Vice-Chair (Mrs. Laura Albanese): Fifteen seconds.

Mr. Peter Shurman: Then I'll just say that the $25 billion that you mentioned—I think you said "million" when you spoke—

Mr. Dave Augustyn: I'm sorry. Billion; yes, we know that.

Mr. Peter Shurman: It's a deficit, not a debt, and it's this year alone. There's more to come, so your transit issue and the social assistance problems that we've been hearing about I think are going to be aggravated.

Mr. Dave Augustyn: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your submission.

TOWN OF LINCOLN

The Vice-Chair (Mrs. Laura Albanese): We will now call upon the town of Lincoln to come forward. You will have about 10 minutes for your presentation; that will be followed by up to five minutes for questioning. I would ask you to identify yourselves for the purposes of our recording Hansard before you begin.

Mr. Bill Hodgson: Good morning, everyone—Madam Chair and members of the committee. Thank you for allowing us to be here today. I'm Mayor Bill Hodgson of the town of Lincoln. With me today is our CAO, Anne Louise Heron.

First of all, I guess I want to express my community's appreciation, and I want to zero in today on two items. The first item is with respect to the uploading of social program costs. I want to tell this committee that my community certainly appreciates the uploading initiative, which is intended to transfer the burden of certain social services costs from the property tax base to a more appropriate provincial tax base. If you like to hear good news and congratulations, I think that's a common message across the province. That's certainly not at issue here today. What is at issue, however, is the implementation of the PMFSDR agreement across Ontario and the unfortunate lack, we believe, of transparency and accountability to Ontario taxpayers.

Let's start with the basics, if we may. This is a subject that you can discuss at various levels. I think what's appropriate for the timeline today is really to cut to the basics. "Uploading" means that taxpayers' money, most simply, is sent to the province instead of having the taxpayers send those funds to the municipality. If the municipality fails to remove uploaded costs from the base budget, the revenue that the municipality continues to collect and use on new or increased expenditures is, in fact, a new tax. If we do not treat it as such, for all intents and purposes, it becomes a hidden tax that is not clearly reported to the taxpayer. Unfortunately, the common practice that has taken root across the province—this is the third year of implementation of the agreement—is to leave the uploaded costs in the base budget.

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Locally, in Niagara, we've had very, very extended debates about that at the regional level, with some success. Certainly our regional council has agreed, and the Minister of Municipal Affairs and Housing encouraged us to have that discussion and that debate locally. However, unfortunately, across the province it is common practice to leave the uploaded costs in the base budget, failing to make the appropriate annual base budget adjustments.

A base budget adjustment has not been required in regulation in annual reporting, and that's the key point to our ask here today. As a result, there's very clear evidence that municipal representatives are of the belief that uploading costs leaves in its wake virtual found money that can be spent with no impact on the taxpayer.

A quick review of press coverage of municipal budget processes across the province—there are a lot of processes under way right now. We get our budget at the town of Lincoln done before the new year; we finish so we can have a little bit quieter Christmas. However, most are just embarking on the municipal budget process right now. Daily, you can go to the press coverage, and it clearly shows that this message is commonly being delivered to an unsuspecting public.

Just this morning, I noticed that there's a public meeting scheduled this evening in Ottawa, for example, regarding their budget process. Coverage indicates very, very clearly that the message that there's found money—it's, in fact, being referred to in the article that I happened to clip this morning. They're treating it as money that is being sent to them by the province.

Uploading is not a source of revenue, nor is it a grant. It's not income for municipalities. It is not a bag of money that a council can spend. Uploading relieves a burden on the property taxpayer, but it only relieves that burden if the amounts are clearly removed from the property tax base annually, as the PMFSDR agreement is phased in, in advance of the preparation of the next year's expenditure program.

I hope that members of the committee share my concern that by 2018, property taxpayers in the province of Ontario could be paying up to $1.5 billion annually in new, tax-levy-supported municipal expenditures. Without the reporting requirement, without the base budget requirement, far too many of these expenditures will have been embedded in the property tax base without the benefit of both clear notice—transparency for the public—and fully informed deliberation by their elected municipal representatives in public consultation.

At the back of your package, I've included a graphic, and I'm just going to quickly refer to it, because I find sometimes it's useful to try to, again, clarify the point. If you notice, it's called "The Upload Issue." On page 1, I think the most salient point is that you will see there's one bag of money. Where we have the "transparent and accountable scenario," in the most simplistic graphic that we could produce, you see that the taxpayer makes out the cheque. He doesn't send it, after downloading, to the province any longer. They make their cheque payable to the municipalities for the social programs that landed on their table after downloading.

After uploading, as we phase in the agreement, the basic intended impact is that that taxpayer once again makes out their cheque, only they're making it payable now in a stepwise fashion to the province of Ontario and no longer sending that bag of money to the municipalities.

The second page: Again, the key point here—and it's just as simple as it seems—is the situation that we find ourselves in with the virtual found money scenario, where there is money to the province and the taxpayer

writes the cheque. There's also some kind of money left behind, and unfortunately, too often, it happened in Niagara, and it is happening across the province in many, many municipalities—I can't say all because I can't possibly be watching all. But the suggestion is being made and the message is being delivered to an unsuspecting public that two bags exist now after uploading at no new cost to the taxpayer. The reality is, of course, and we know—and that's when we go to the bottom of that page—two bags of money, two cheques. That's the impact on the taxpayer.

The Vice-Chair (Mrs. Laura Albanese): You have about two minutes left for your presentation.

Mr. Bill Hodgson: Sure, thank you. I'll do it quickly. I'll just finish.

We've been working on this issue for well over a year now, both here in Niagara and in direct communication with the Ministry of Municipal Affairs and Housing, the Ministry of Finance staff and AMO representatives.

Defenders of this unfortunate practice that has emerged from the agreement are distinguished by their insistence that uploading costs leaves a bag of money in its wake. To defend their position, issues are raised that are not material to matters of transparency and accountability. What is not at issue is that the burden of social costs on property taxpayers has impeded Ontario's capacity to make necessary infrastructure investments since the late 1990s. That is not at issue, and that's easy to argue. Nor is it an issue that there is a legitimate case to be made for planning and implementing catch-up or gap-closing programs of infrastructure investments across Ontario. These can be justified today very easily, but they have to be justified transparently.

It's not an issue that lack of transparency is the necessary consequence of respect for local decision-making. What is at issue is a public kept in the dark regarding new levy-supported spending. There is also clear evidence that a plurality of elected representatives have been seduced, either wittingly or unwittingly—and I suspect mostly unwittingly—by the opportunity to present the uploading benefit to the public as found money. This undermines both accountability and transparency.

In summary, trust in the integrity of our public institutions and trust in public accounting are what is at stake. That trust in public accounting, we all know, is going to be a crucial element both in the current economic recovery and in the successful transition through the looming period of restraint. This is not a blame game. Let's just get it right with a simple regulation to require a municipal-based budget adjustment and reporting of this adjustment to the province and to the communities we serve. The cost of this recommended action is negligible, but the cost of no action will have far-reaching and avoidable negative impacts, both upon the public trust and indeed upon the long-term fiscal position of many municipalities.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now turn it over to the NDP. Mr. Prue, you have up to five minutes for questioning.

Mr. Michael Prue: This is, to my view—and I don't mean to downgrade what you're trying to say—a very slight, little problem with municipal councillors and mayors being honest about the money. Really, that's all that's at stake here, or have I got what you're saying wrong?

Mr. Bill Hodgson: I'm not suggesting that they're being dishonest. I think, actually, what happens is it's just seductively convenient to be able to absorb your inflationary costs, continue to collect the funds that are embedded already within the base budgets and not justify. We see it across the province. We had a 2.8% budget laid out for us, and it wasn't—we're not finished yet. Here in Niagara, 10.1% is our starting point. It doesn't do any favours to the public. If inflation is what it is, and you need to absorb it, if uploading—and indeed, uploading does provide municipalities with a way to cushion the impact of absorbing those new costs. The public deserves—and the public's very smart—to know that this is kind of a one-time opportunity to do this, but the reality is inflation is driving costs higher and higher. So let's not put our head in the sand; let's not pretend that things are really rosy in municipal land, because they're not. We actually have big challenges.

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Are we being helped by our provincial partners? Absolutely. It's not meant to criticize anyone who has participated in developing the arrangement and the program for uploading. It's absolutely defensible. But what needs to be told and what's not being told often enough is the fact that the inflationary drivers and the cost drivers at the municipal level are serious, and in fact, we might as well tell the public the truth about that. I think that's what the public expects and deserves.

Mr. Michael Prue: You also had a second point that you never got to, and I think it's a serious point, about having a new risk management program for the fruit and vegetable sector. We remain—at least I remain—concerned about what is happening with the pave-over of farmland, the loss of the agricultural sector, the closing of the only canning factory east of the Rockies in the last couple of years here in Niagara. Can you just explain a little bit about that, because I think we need to hear about that too?

Mr. Bill Hodgson: Yes. The town of Lincoln is fairly unique; we're not alone, but we're fairly unique in the greenbelt. We've attempted to be—and I like to use and I unabashedly use the term that we would like to think of ourselves as something of the poster boy for the greenbelt. We know that there are huge benefits to the province of Ontario, to the country, to our whole world, as a matter of fact, for the greenbelt initiative and its objectives, and we can appreciate that. It comes, however, with some challenges with respect to sustainability, not the least of which is the fact that ours is an intensive horticultural protected countryside around our small towns. The issues that threaten—and truly there is a great

threat that we will lose the human capital that in fact is so important to our agricultural industry. We've just watched a lot of investments being made in infrastructure, and the idea is that those investments will in fact have a long-term, supportive impact on industry and our jobs and so on and so forth.

The agricultural community is at a crossroads today. We are losing—there is a huge threat that we will lose all of our human capital. I returned to the farm myself and had the opportunity—

The Vice-Chair (Mrs. Laura Albanese): Forty-five seconds left.

Mr. Bill Hodgson: I had that opportunity to make a living. My kids will never return to my farm. There are some natural processes, I understand, of increasing the scale of operations, but the whole industry relies on the family-farm model, ultimately. Even the biggest businesses in the greenhouse industry, in the vegetable and fruit industry, will tell you that they need the commitment and they need that human capital of the family-farm unit to try to sustain what is a marginally profitable industry at the best of times.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

CANADIAN MANUFACTURERS AND EXPORTERS

The Vice-Chair (Mrs. Laura Albanese): Now I call on the Canadian Manufacturers and Exporters to come forward. Good morning. You have up to 10 minutes for your presentation. There could be up to five minutes for questioning. Please identify yourselves for the purposes of our recording Hansard. You may begin.

Mr. Ian Howcroft: Thank you very much, and good morning, everyone. My name is Ian Howcroft and I'm vice-president of Canadian Manufacturers and Exporters, Ontario division. With me is Paul Clipsham, our director of policy.

CME is Canada's leading trade and industry association and the voice of manufacturing and global business in Canada. Our association represents more than 10,000 leading companies nationwide. More than 85% of our members are small and medium-sized enterprises.

As Canada's leading business network, through various initiatives, including the establishment of the Canadian Manufacturing Coalition, we touch more than 100,000 companies from coast to coast and engage in manufacturing, global business and service-related industries. Our membership network accounts for approximately 82% of Canada's total manufacturing output and 90% of the country's exports. I think it's important to highlight a few facts about manufacturing and help put our full comments into better perspective.

Despite the economic challenges, the manufacturing and exporting sector continues to be the largest single business sector in Canada, contributing approximately $300 billion to the province's GDP. It represents approximately 800,000 direct jobs in Ontario. Another 1.5 million Ontarians are indirectly employed because of the manufacturing sector. Another important fact is that every $1 invested in manufacturing generates $3.25 in total economic activity, the highest economic multiplier of any sector.

Manufacturing and exporting are on the cutting edge of Ontario innovation. Seventy-five per cent of all private sector research and development takes place in manufacturing. Thirty per cent of these jobs would be classified as creative jobs that are high-skilled and high-paying. However, we feel strongly that it would be a strategic mistake to passively allow the remaining 70% of these jobs to go to emerging markets on the basis that these economies have lower labour rates or they're not important to Ontario. Ontario must value all occupations while fostering creativity and innovation. We need to work together to develop a strategic plan and a vision for the future of manufacturing in Ontario.

We are emerging from what has been a deep and protracted recession. Manufacturers and exporters have been impacted significantly. Manufacturing shipments are down about 13% from a year ago, and our November survey results indicate that 68% of companies had to cut their workforce over the last 12 months. However, companies are adapting quickly to rapidly changing circumstances. They are taking the necessary steps to survive in this very challenging environment.

CME was pleased to see the Ontario government take bold steps to address some of these challenges that are impacting manufacturers and exporters. For the record, we want to state that we strongly support the harmonization of the PST with the GST, corporate tax rate reductions, significant new infrastructure spending, and measures to encourage skills training and development. These initiatives have helped with the recovery and continue to make Ontario an attractive place to invest over the longer term.

We know that we must not become complacent in the knowledge that we have made great strides. Other jurisdictions have not and will not remain idle. CME encourages the government to implement additional measures that will free up cash for manufacturers to make investments in innovation and productivity and ultimately allow them to hire more individuals.

Under the present fiscal constraints, it's critical to focus government resources on interventions that drive new investment. Again, it's important to remember that manufacturing investment is the highest single multiplier of any sector of the economy. Manufacturers and exporters will evaluate this budget and the government on the net benefit of all activities. There's a danger that the significant progress that has been achieved on tax reforms will be eclipsed by other risks that could dampen investor confidence. Examples of these include energy—electricity—costs, the WSIB unfunded liability as it continues to grow, pension reform measures that increase pension costs or the costs of administration, and new regulation and enforcement on health and safety, environment and accessibility, to name a few. The gov-

ernment must take action to ensure that the overall business environment is favourable and sufficiently competitive to retain and grow manufacturing investment in Ontario.

There's a real opportunity for this budget to address priorities that will not cost the government a lot of money and will have a significant positive impact on existing and new businesses in Ontario. Some of these areas include regulatory reform, energy regulation and the relaxation of the pension funding rules on a long-term basis. New orders are picking up and fewer companies are reporting additional layoffs. However, we are also witnessing the re-emergence of issues such as the strengthening Canadian dollar, input cost pressures, restricted access to financing, and regulatory burdens that threaten to curtail these positive early signs.

In this context, CME has the following recommendations to address these concerns and foster a more fulsome recovery for the manufacturing and exporting sector in Ontario and the economy as a whole. In 2008, the Ontario government made a modest investment in CME to design, develop and deliver a program that would help manufacturers address and improve productivity challenges, particularly in the areas of "lean," IT and energy efficiency. We called this our SMART program. This grant of $25 million has allowed over 400 companies and facilities to implement a productivity plan at their operations. This has ensured the retention and creation of thousands of jobs and improved operations that are helping Ontario companies to better compete in the global marketplace. Given the success and ongoing need, we hope this committee will unanimously support continued investment in this important program.

I'd now like to turn to Paul Clipsham and ask that he talk about some of the specific recommendations from the tax perspective.

Mr. Paul Clipsham: Thanks, Ian.

As Ian mentioned, CME is very supportive of the HST. We do have two recommendations to improve on that. The first is that we'd like to see the elimination of the input tax credit restrictions for large businesses as quickly as fiscally possible, and we'd like this government to consider mitigation for those manufacturers that will be negatively impacted in terms of cash flow.

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There are also three areas that CME feels should be addressed going forward, including monetization of all existing and future tax credits; complete elimination of the corporate minimum tax, the CMT; and property tax equity for manufacturers.

In order to generate cash flow for companies that are not currently profitable or those that are looking to make significant new investments, the budget should make all new and existing tax credits refundable effective January 1, 2010. During difficult economic times, when companies need to invest, they require immediate cash support. If they are in a loss position, they cannot immediately benefit from tax credits. Making tax credits refundable will provide more effective stimulus for companies to sustain their investments in innovation throughout this period of economic challenge.

The following existing credits should be considered for refundability: the scientific research and experimental development tax credit, and the corporate minimum tax. We also would like to see that eliminated effective January 1, 2010.

CME also recommends new tax credits to encourage investment in targeted areas, including green energy deployment, research and development, investments made to upgrade or retool manufacturing equipment and machinery, and training. These measures would include providing a refundable tax credit for new investments in manufacturing and processing equipment, effective January 1, 2010, and a refundable employer training tax credit to encourage investment in skills development and training, to ensure a continuous improvement focus at a time when such investments are most difficult.

The reduction of the CMT rate to 2.7% was welcome in the last budget. However, the CMT is not a significant source of revenue for the government and continues to be an administrative and financial burden on companies. CME recommends that the government eliminate the CMT entirely.

Inequities in the property tax system are widespread in Ontario, with industrial taxpayers bearing a disproportionate burden. A recent study by Walker Poole Nixon LLP analyzed industrial, commercial and residential tax rates across seven jurisdictions in Ontario. On average, industrial rates were 35% higher than commercial rates and nearly 400% higher than residential rates. Whatever the historical rationale for levying these disproportionately higher rates to the industrial base, it clearly no longer has a basis. CME recommends that the property tax rates for manufacturing and industrial facilities be reduced to that of commercial wherever such disparities exist across Ontario.

CME has been consistent in our support for the comprehensive tax reform that this government has implemented to date. The significant reductions in the marginal effective tax rate in Ontario will clearly improve the prospects for new and existing manufacturing investment in Ontario.

We also know that the tax environment is not the only part of the investment decision, and we are concerned that regulatory and other business costs threaten to undermine the progress that has been made on the taxation front. There are a number of areas that CME has identified as a concern that cumulatively represent a real risk to the positive achievements in the previous budgets.

The Vice-Chair (Mrs. Laura Albanese): You have 40 seconds left.

Mr. Paul Clipsham: Thanks. The WSIB unfunded liability is approximately $12 billion, and CME is calling for the government to establish a royal commission to review first principles on WSIB.

CME has also been supportive of the Open for Business initiative, and we encourage the government to continue with that, to make real change for manufacturers.

CME is also very concerned with the impact that rising energy costs are having and will continue to have on manufacturers, if not addressed quickly.

In conclusion, the comprehensive tax package from the previous budget will allow manufacturers and exporters to retain more of their money, which they can use to make the necessary investments in order to remain competitive and ensure a more rapid and sustained economic recovery.

CME also feels that the recommendations we have highlighted here today are necessary to fully realize Ontario's vision of more jobs and growth.

Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I would now turn it over to Mr. Arthurs.

Mr. Wayne Arthurs: Thank you, Chair. Welcome to CME, both Ian and Paul.

Ian, the last time we saw each other across this table, it was with Bill 218 and we were in committee at that point in time. We've managed to now implement the personal income tax cuts as of January 1, which obviously we are quite pleased with.

We had a very short window of time available to us. I think my question was—that very day, the feds had been dealing with the HST question as well. I think I asked you at that point whether you felt the decision by the feds, as well as what we were doing, would have a positive impact in the national and international scope of how Ontario would be seen—and presumably BC, if they go the same route. With the time you had, which was about 10 seconds, your response was, "In one word, yes." Do you want to take a couple of minutes and just maybe, if you'd like, enhance that response: "In one word, yes"? What were you thinking then?

The second question I'm going to have, for either yourself or Paul, is a little more elaboration on the elimination of the input tax credits for large business, as quickly as possible.

Mr. Ian Howcroft: Okay, thank you. I'll start off and then turn it to Paul.

To embellish, yes, we think that's the way it is. If you look around the world, almost every jurisdiction has gone to a value-added tax. It's only the United States that hasn't moved in that direction. It makes tax sense, it makes economic sense, and it makes sense for not just the businesses in Ontario but all Ontario residents and all Canadian residents. It allows for a more efficient system. It allows us to focus tax collection on where it can have the biggest difference and allows us to maintain the quality of living and the standard of life that we have here much more easily than through the old taxation system.

So, yes, we are very supportive of that and have long called for a value-added tax. We have been encouraging and promoting and supporting harmonization since the GST first came to the federal government many, many years ago. We think it's a win for everyone—not just businesses, but for Ontarians across the province.

Paul, do you want to add to that or talk about the other aspect?

Mr. Paul Clipsham: Sure. All of the reports that we've seen from credible sources, economists, have said that the HST is going to result in some positive initiatives coming out of that, including more investment in manufacturing. So certainly we're very supportive.

As far as the ITC restrictions, companies with above $10 million in sales—some very important companies in that category—are restricted in terms of what they can receive input tax credits for. That represents a barrier to the full positive outcomes from the HST for those companies and for the economy, so we certainly would like to see those eliminated.

Some of the restrictions also create an administrative challenge for companies—for example, the energy used in non-productive use of energy—so that you have to have an audit. It remains to be seen. We'd actually like to see some more consultation on how that could be done easily and effectively so as to not create real challenges for companies.

Also, the time frame for elimination is fairly lengthy. It's five years, and then eight by the time it's totally eliminated.

Mr. Wayne Arthurs: Chair?

The Vice-Chair (Mrs. Laura Albanese): Two minutes left.

Mr. Wayne Arthurs: To Mr. Sousa, please.

The Vice-Chair (Mrs. Laura Albanese): Mr. Sousa?

Mr. Charles Sousa: Yes, thank you, Madam Chair. Ian and Paul, thank you for your presentation.

You mentioned briefly about the marginal effective tax rate on capital and the savings, which will be about a 50% cut from where we are now, at around 32.8%. It'll go below 21.8%, below OECD, making us more effective. You also touched upon the input savings and the reduction in compliance costs through the burden of managing the accounting and the auditing.

My question, then, with all the savings and the benefits that are provided for business—one of the questions we always get also in our offices is, "What does that mean to consumers?" There are two questions. One is, is the timing right to do this now? The second one is, will the savings really accrue to the consumer, as has been shown in the Atlantic provinces?

Mr. Ian Howcroft: Well, again, I'll start. Yes, we think the timing is right. It makes, in our view, no sense to delay to another time. We think the timing is actually late. We'd be better off if this had been done many, many years ago. So in our view, it makes no sense to delay this. It should be implemented immediately.

If you look back over the costs that manufacturers have faced over the last 10 years, you will see that the price of the products they are selling has only gone up about 3.5% to 4.5%. Input credits have gone up by 30% to 40%—in energy, 140%. This will allow them to take off some of the pressure they're having globally, so it will have a positive impact overall—

The Vice-Chair (Mrs. Laura Albanese): Fifteen seconds left.

Mr. Ian Howcroft: —on what consumers are paying. The competitive pressures will come to bear.

Mr. Charles Sousa: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. Unfortunately, the time has expired.

Mr. Ian Howcroft: Thank you very much.

RETAIL COUNCIL OF CANADA

The Vice-Chair (Mrs. Laura Albanese): I would now call the Retail Council of Canada to come forward. You'll have up to 10 minutes for your presentation. That will be followed by up to five minutes of questioning. Please identify yourselves for the purposes of our recording Hansard. Thank you, and you may begin.

Mr. Gary Rygus: Good morning. My name is Gary Rygus. I'm the director of government relations, Ontario, for Retail Council of Canada.

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On behalf of RCC's members operating across the province of Ontario, thank you for the opportunity to appear before the committee today.

Retail Council of Canada has been the voice of retail since 1963, speaking on behalf of members who operate more than 40,000 storefronts nationally, 16,000 of which are in Ontario. We represent an industry that touches the lives of most people in the province. Our members represent all retail formats: department, specialty, discount and independent stores, and online merchants. While we do represent large mass-merchandise retailers, the majority of our members are in fact small, independent merchants.

As an employer, retail is number two in Ontario—although after the comments that I heard from the CME, we might be tied—with more than 830,000 jobs, generating $151 billion in sales annually.

Retailers invested over a billion dollars in Ontario in 2009 and continue to invest in the province. According to StatsCan, Ontario sales were down 3.9%, year to date. The year will end with sales being flat or slightly negative. Ontario will be in the bottom third of provinces, along with BC and Alberta. Retailers hope to generate sales in the positive, low 1% to 2% range for 2010.

The average wage for sales staff is almost $16.75 per hour.

According to the Conference Board of Canada, consumer confidence is soft. Consumers are very cautious. However, economists are the only people saying the recession is over. Consumers haven't seen it yet. This creates challenges for retailers. Job losses are unnerving consumers. The softness is driven by the financial turbulence in the world and the slowly recovering economies in many countries.

Faced with this challenge and fragile future, government must focus on improving the conditions for economic development. The government must develop a positive, job-creating environment.

RCC supports the leadership Ontario has pursued with the adoption of the HST approach as part of its tax reform package in 2009. This will create jobs in the longer term and make Ontario companies more competitive. Retailers commend the government on this approach. Stay the course.

More needs to be done for controlling business costs now. We offer several recommendations.

First, in an ideal world, Ontario should freeze its minimum wage at $9.50 because of the current economic conditions. However, retailers understand this will cause challenges from a social policy perspective. As a potential win-win proposal, RCC is suggesting that the 75-cent proposed increase scheduled for March 31, 2010, be implemented over a three-year time frame in 25-cent chunks, after which a third party should review and be responsible for future adjustments to minimum wage.

Research done by Ontario in 2007 revealed that minimum wage increases impact on part-time workers with little job experience, primarily students and youth. Overall, 50% of minimum wage workers are youth aged 15 to 24 who live with their parents. Thirty-one per cent are couples. Almost 70% have a spouse employed at a job above the minimum wage. About 11% are unattached individuals, and 7% are single heads of families.

Canadian evidence would suggest that a 10% increase in minimum wage is likely to reduce the employment of teens by 3% to 6%, and slightly lower for young adults. I would suggest to you that this is providing unintended consequences of the minimum wage increases.

Bottom line, minimum wage increases do not create jobs. Retailers will be forced to move full-time jobs to part-time status and cut part-time hours. No new jobs will be created.

In addition, the government must find additional ways to reduce taxes and fees on businesses. For example, raise the employer health tax exemption threshold from $400,000 to $1 million, and freeze WSIB premiums for the next three years.

In addition, harmonize provincial environmental fees with other jurisdictions. This would give all Ontario businesses a significant boost to their competitiveness, especially when one considers the benefits of implementing the HST. Over time, retailers will pass on price reductions as a result of implementing the HST.

Retailing is an extremely competitive environment. If your product is not priced appropriately, consumers will buy from someone else.

We recommend the government work with other provinces to harmonize product stewardship programs. We would remind the government that retailers must continue to be permitted to show environmental levies separately on the sales receipt. The approach is consistent with the approach used under the HST.

In addition, fast-track the Open for Business initiative. Change the way government creates legislation: Adopt a business lens to focus legislation by asking the question, "Does it add economic value?" by quantifying the changes containing sunset provisions for legislation.

However, this approach requires a total mindset change. Now is the time to take up the challenge to create jobs.

On behalf of the Retail Council of Canada, I thank you for your time. With only 334 days before Christmas, please remember to shop each and every day at your local retailer. The Ontario economy and the government will thank you.

The Vice-Chair (Mrs. Laura Albanese): This round of questioning goes to the official opposition. Mr. Miller.

Mr. Norm Miller: Thank you very much for reminding us how many days we have left for our Christmas shopping. Unfortunately, I'll probably still end up doing it in the last 10 or 15 days.

Mr. Gary Rygus: I believe that's a male thing.

Mr. Norm Miller: One of the points that you talked a bit about in your brief is the cost to your businesses of regulation. We heard from the Canadian Exporters and Manufacturers that they're concerned about the WSIB, accessibility, and health and safety. Have you seen a change in regulations in the last few years? Do you hear from your members about any particular regulations or has the burden of regulation increased in the last few years?

Mr. Gary Rygus: It's a very good question. From the retailer perspective, regulation has increased significantly, primarily in the labour and environmental files to date. WSIB is an issue facing all businesses, not just retailers, especially when you look at the $12-billion unfunded liability. It needs to be addressed forcefully and it needs to be put on a more sustainable funding pattern for the future. So we would strongly support activity to take place that would improve the WSIB.

You talk about the disability file; a lot of standards are in the works to be introduced on that front to make Ontario more accessible in the future—

Interjection.

Mr. Gary Rygus: Yes, by 2025. We generally support the intent of that legislation, but perhaps it could be going at a more reasonable pace, especially in view of the current economic conditions.

Mr. Norm Miller: I hear a lot about WSIB in my riding and through meeting with various groups. I met with the Ontario Electrical League last week, and that was a big issue for them—a totally different sort of business. Have you any suggestions on an approach with WSIB and that $12-billion unfunded liability?

Mr. Gary Rygus: The favourite response or the easiest response traditionally has been to raise premiums to businesses because that's an easy one. What needs to be done is to look at all the components of the unfunded liability and that would be also to re-examine the level of benefits that injured workers are receiving in the province. There have been a number of businesses that have gone out of business in the last year and I understand that WSIB revenues have gone down $340 million over the last year, so one has to also take that into consideration. You can't just ratchet up premiums without looking at the other side of: What kind of benefits are you offering to injured workers?

Mr. Norm Miller: I know my colleagues have questions. The loss of compensation for collecting provincial sales tax: Is that an issue with your members?

Mr. Gary Rygus: Could you please clarify?

Mr. Norm Miller: When you collected provincial sales tax, a retailer would get up to $1,500 a year. Now you'll no longer get that.

Mr. Gary Rygus: It is not a large issue for our members; it's more of an issue for the smaller members. If you look at the entire tax reform package that allows for input tax credits, a lower corporate income tax rate and a certain amount of transitional relief, our members are very supportive of the HST piece as it stands.

Interjection.

Mr. Toby Barrett: Thank you. As you say, minimum wage increases generally do not create jobs. I think that's particularly true during our present economic times. In your business, it's probably more important to, rather than having kids hang out at the malls, maybe have them working in the business establishments in the malls.

Just very quickly: You talk about research commissioned by Ontario finance in 2007. Now, is that the Ministry of Finance or—what is that?

Mr. Gary Rygus: That is correct. Morley Gunderson, a professor from the University of Toronto, did the study.

The Vice-Chair (Mrs. Laura Albanese): One minute left.

Mr. Peter Shurman: Okay. I have a quick one, then. You talked about raising the EHT threshold for businesses, I think, at the $1-million level or under. That sounds like a reasonable idea. But just from what you know of the financial circumstances in which the government finds itself this year and going forward, where do you think it's going to come from?

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Mr. Gary Rygus: It's a very good question. When you look at the submission that we've made, we talked about minimum wage and WSIB. Those are two initiatives that will have no impact on the consolidated revenue fund.

The EHT, granted, will cost a few million dollars to increase the threshold, but I would suggest to you that there's a larger danger when we haven't kept up with our neighbouring provinces. For example, Manitoba has a $1-million threshold on their own payroll tax, and some of the Maritime provinces have $1.25 million. So it's all about being competitive.

I think that we now need to show additional leadership by creating further jobs. This may have a temporary setback on the CRF, but in the long term it will create more jobs and allow the economy to prosper, as it needs to.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee.

Mr. Gary Rygus: Thank you.

ONE SCHOOL SYSTEM NETWORK

The Vice-Chair (Mrs. Laura Albanese): Now we will move to our next presenter. I would ask the One

School System Network to come forward. You have up to 10 minutes for your presentation. That will be followed with questioning for up to five minutes. I would ask that you kindly identify yourself for the purposes of our recording Hansard. Whenever you are ready, you may begin.

Mr. Bryan Kerman: Good morning, Madam Chair and members of the committee. May I begin by introducing myself and my colleague? I am Bryan Kerman and I am the coordinator of the One School System Network. With me is Malcolm Buchanan, who is a member of Civil Rights in Public Education.

The One School System Network, OSSN, consists of organizations that include the Muslim Canadian Congress, Education Equality in Ontario, the English and French public school trustees for one school system, the Hindu Conference of Canada, the Centre for Inquiry Ontario, and Civil Rights in Public Education, among others.

The objective of the network is to coordinate these groups that have a common goal of the establishment of a single, non-sectarian, publicly funded school system in Ontario. The committee can read more about us in the OSSN backgrounder, which we have supplied.

Such a one-school system was supported by at least 70% of 500 GTA citizens polled by the Toronto Star just before the October 2007 provincial election. OSSN polls show that support may be higher elsewhere in Ontario.

The single, non-sectarian public school system we envision will be made up of English- and French-language public school boards. In fact, it will look much like the system now in place in Quebec, after Quebec achieved a constitutional amendment to move towards a system based on language only. Incidentally, all that is required in Ontario to achieve a one-school system is for the Legislature to ask for the same amendment from Parliament.

We have come here today to discuss what we see as the economic benefits that flow from moving to a single public school system. We hope to be able to convince this committee that future studies are warranted, to look into major savings that will be realized by moving to a single public school system.

Let me begin by giving you some of the results of two analyses conducted by our network. We have looked at the funding of the English public system and, in one case, compared it to the English Catholic school system over an eight-year period.

The first study, based on two approaches which came out with comparable results, showed that the English Catholic school system receives about $200 million per year more in student grants than it would by the funding formula for non-Catholic students. This situation has occurred for at least 10 years, thereby diverting about $2 billion away from public education into sectarian education in that time.

The second study considered the funding of children by the number of students in a school board. By virtue of its size, the Toronto school board receives $450 million more than if it were to receive per student funding at, say, the level that Hamilton or London or Ottawa does. This board is not alone, and the problem is not just one of public versus Catholic education. You're invited to read the details of these studies in the attachments which have been supplied to the committee.

Such inefficiencies as we have found must be addressed. Merging the public and Catholic systems will provide Ontario with an opportunity to rationalize new board size on the basis of best practices across Ontario.

There are other significant savings to be gained by the establishment of one school system. One of the major cost efficiencies arises when just one bus is run by a student's home. The province has moved to force the sharing of transportation on the school boards. It has been accepted by some, with notable exceptions. The problem is that the increased transportation grant given to the Catholic boards allows them to attract parents who appreciate the better service. Incidentally, the same can be said for capital grants, which have produced some splendid Catholic schools which also attract parents and students.

Another area of savings lies in avoiding the capital costs of new schools associated with subcritical student populations in surrounding schools that must be closed. Simply by going to one school system, the province has more flexibility to move students without new construction.

A case in point is the $90 million recently announced to build a new French-Catholic high school in Mattawa for 100 students. That is $90,000 per student. Not only is it poor value for the taxpayers' dollar, but it would not have happened if we had one school system. The committee will find news clippings about the discontent in Mattawa and area in their attachments.

The government had a chance to do something about the inefficiency of building new schools in times of declining enrolment with the Levac legislative committee. However, that committee was specifically ordered not to consider the option of doubling up children from the segregated school systems. This problem of closing schools is particularly acute in rural areas and in northern Ontario. Without a policy to integrate local schools in these areas, the dislocation being forced on parents and students for the sake of religious segregation is becoming intolerable.

In addition to the above savings with efficient school busing and proper utilization of schools and facilities, there are others that will be realized by establishing a single public school system. These include a reduction of duplication of education services; a reduction in advertising costs for competing school boards to draw students and hence provincial funding from each other; economy of scale through better purchasing practices; fewer senior/managerial and administrative personnel; greater program opportunities for students; and better use of teacher and support personnel, particularly in specialized subject areas.

The bottom line is that it is economically irresponsible to publicly fund four distinct school board systems in

Ontario. Significant savings would be realized with no loss of educational services nor displacement of services if there were only English- and French-language public school boards.

Okay, so what? We have a socially divisive school system, and we are wasting big bucks on keeping it inefficient.

The problem doesn't end there. Ontario is in an economic crunch. Its revenues are collapsing, partially by losing its manufacturing base to developing countries and partly by the collapse of our American trading partners. The government has before it a massive deficit, without the prospect of a quick turnaround. Apparently, a number of cuts are contemplated in our health care system. People who are awaiting surgery may expect to wait even longer. People who hitherto laboured diligently in our hospitals and health care establishments will be laid off for no fault of their own. Others in the province will either see reduced service or be part of public sector unemployment. This is deeply ironic when we are clearly wasting over a billion dollars a year in identified inefficiency in our education system and perhaps the major part of another billion dollars a year on inefficient transportation and other inefficient uses of our schools. And all this is for privileged public funding of a sectarian school system.

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While Quebec and Newfoundland and Labrador have moved to a single public school system to join many other modern egalitarian countries, Ontario hangs on to this relic of the past, one that hurts our ability to respond to the kind of budgetary crunch that we have before us and hurts others personally because Ontario chooses to offer special privileges and religious school funding rather than address their problems.

How long can Ontario waste $2 billion a year on something it has been condemned repeatedly by the UN for supporting? What is the cost going to be in the future as we live in suspended animation about whether a future government might fund all religions? We know how inefficient that will be.

The time has come to speak out against the inefficient funding and for all parties to work constructively to achieve a one-school system. We would hope that this committee would be the first to voice concern over the funding inefficiency of our current dual system.

We would be pleased to take your questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission. I would now turn to the NDP, Mr. Prue, for questioning.

Mr. Michael Prue: The first question I have is about the Levac committee. Mr. Levac is a member of the—but I don't see him; I'm not allowed to just say that. But I'm sure he might have some comment when he comes. The government ordered his committee not to look at this. Was any explanation given?

Mr. Bryan Kerman: I don't know about explanations. I know that there were documents that went with the terms of reference of the calling of that committee, and one of them was to not look at anything that had to do with the continued existence of the dual school system.

Mr. Michael Prue: The province of Ontario has been cited twice by the United Nations. I spoke about this when Dr. Hoskins had a motion before the House in private members' hour to stand up for the United Nations bill on human rights. I raised the very real and thorny question—we've been cited twice under section 26 of that bill for providing sectarian education to only one religion. I asked Dr. Hoskins to comment and he sent me a very nice note after about how our support of the United Nations convention would be viewed in light of—we're about to be cited again. Can you tell me what Ontario's response should be when we are again told that what we're doing is illegal, immoral and wrong?

Mr. Malcolm Buchanan: Very briefly, Mr. Prue, yes, you're correct: We have been cited twice by the UN as being in violation of article 26. The response of the government has always been, "It's a constitutional matter and there is nothing we can do about changing it." That is a hoax, because people only refer to one section of the Constitution, which is subsection 93(1). If they look at subsections 93(2), (3) and (4), there's a process by which to change; also section 43.

This is exactly how Manitoba, Newfoundland and Quebec changed. They have to live by their own constitutional responsibilities, as well as the UN. So there is a way to change it.

Mr. Michael Prue: Are we the last province—Ontario—that still funds sectarian education?

Mr. Malcolm Buchanan: Other than Saskatchewan and Alberta, Ontario is the only one.

Mr. Michael Prue: You handed out a number of documents. I was intrigued by the Sudbury Star editorial—for the members of the committee, it was the last one in the package—of March 27, 2009, talking about the enormous cost to the city and the people of the Sudbury area of funding and having to build four separate school systems. Have there been any resolutions of local councils or other people following editorials like this about how to save money?

Mr. Malcolm Buchanan: Unfortunately, I believe nothing much has happened other than the editorials. It's also reinforced in the article from the Renfrew Times that everybody wants to duck the issue, for whatever reason; it's very strange. Yet people are raising the issue all the time about, "Why are we paying for a duplication of services?" The question has to be brought out into the open. I would hope that this committee would start looking at ways in which efficiencies can be made. Bryan has outlined them very carefully.

Right now there seems to be an inertia, as it were, Mr. Prue. Nobody wants to get their head around it, but they have to. Nothing has been done to date on those suggestions in the Sudbury Star.

Mr. Michael Prue: I am starting to get a few phone calls from upset parents in the Toronto area about the

new all-day kindergarten because there are no schools in the public system that are going to offer this.

Are children who are not Catholic children entitled to go to the all-day kindergarten in a Catholic school, which is being offered in Toronto?

Mr. Malcolm Buchanan: The reality is that, under the rules of the game, as it is in Ontario now, to be able to enrol their child in a separate elementary school parents must show that their child has a baptismal certificate, that they are ordained Roman Catholic. At the elementary level, non-Catholic kids are not entitled to be enrolled, unless under extenuating circumstances such as huge, open, surplus space. Otherwise, at the elementary level, only Catholics can apply. And it's publicly funded; that's the point.

Mr. Michael Prue: In terms of this new all-day kindergarten—the NDP supports all-day kindergarten—what that means, then, in effect, is that non-Catholic parents will not be able to participate unless there's a school designated. In my riding, there's none.

Mr. Malcolm Buchanan: That would appear to be correct.

Mr. Michael Prue: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee. We will now take a recess. The committee will resume at 1 p.m.

The committee recessed from 1150 to 1300.

NIAGARA HEALTH COALITION

The Vice-Chair (Mrs. Laura Albanese): The Standing Committee on Finance and Economic Affairs will come to order for our afternoon session.

Our first submission will come from the Niagara Health Coalition. Please come forward. You will have up to 10 minutes for your presentation. That will be followed by up to five minutes of questioning. The rotation in this round will go to the government side.

You may identify yourself for the purposes of Hansard recording and begin as soon as you're ready.

Ms. Sue Hotte: Good afternoon. Thank you very much for the opportunity to bring forward a submission to the committee. My name is Sue Hotte and I am the co-chair of the Niagara Health Coalition.

The Niagara Health Coalition is part of the Ontario Health Coalition, just to let you know. We're a network of many organizations and individuals throughout the peninsula and in Ontario.

The focus of the presentation is basically that hospital funding at the present time is unsustainable. Hospitals have been shrinking as a proportion of health expenditures for more than 20 years, and this has led to serious offloading and privatization of hospital programs and services. It has led to major gaps in service, out-of-pocket costs for patients, more risk of poor health outcomes, and even the death of patients.

Presently, the provincial government's approach to hospital funding is actually at odds with the values and priorities of most Ontarians, who put it up there as one of the major things that the government should be involved with. However, the large budget deficit at the Niagara Health System due to serious provincial underfunding for the past 20 years, the present restructuring plans, including the building of the St. Catharines P3 hospital, and the disconnect between infrastructure planning and service planning are creating confusion and wasting funds. This is the main focus of our presentation.

Hospital spending has been shrinking. If you think about it, in 2008, Ontario hospital expenditures per capita were $1,205. It's the second lowest in Canada, the lowest being British Columbia. Health expenditures were $3,361 per capita. Basically, that's also the second lowest.

Restructuring has been occurring, and we've seen that overall hospital spending has decreased from 52% to 37% over 20 years.

One of the things that was based in the 1990s—was that we would be able to relocate patients who were in the hospitals right now for chronic care etc. to long-term care. Over a billion dollars of hospital budget cuts were announced and there were huge numbers of hospital beds cut, but many of the new long-term-care beds were not put in place.

This had a really big impact in Niagara. Between 1989 and 2000, it lost 680 beds, which is over one third of all its beds, and they were eliminated without adequate replacements. There were very few long-term beds that were brought in. It's a decrease by 43% in the number of its acute care beds and a 25% drop in chronic care beds.

In 2007, the average number of beds staffed in the NHS had decreased to 581, the number of chronic and complex beds stood at 172, and the cuts are continuing. We're not too sure where the people are going from these beds. Are they being relocated to Fort Erie and Port Colborne? Are they being brought to retirement homes where there are inadequate service levels?

Because you have fewer hospital beds, you have extremely high occupancy rates, you have longer waits, and you have cancellations of surgeries. A loss of hospital beds also means a loss of staff, so we have seen a decrease in the number of nurses in our area. The Ontario Nurses' Association is very concerned about this, and for the past three or four years the Niagara Health System has been censured because of the understaffing situation and the problems with their workload. This continues. Two years ago they had 4,373 employees, and last year it was 4,281. There was a decrease of at least 50 or 60 nurses.

Hospital budgets are running at less than inflation. This forces cuts, privatization and instability. This is one of the big reasons why you do have these huge cuts and these huge deficits as the hospital systems are trying to have zero deficit. On page 4, I do have some information with regard to that.

It's so bad that, province-wide, up to 80% of hospitals faced deficits in the last two years, and cuts are affecting hospitals of every size in every region of the province. If we look specifically at the Niagara Health System, it's in such a bad financial state that it's bankrupt, frankly. Cuts

keep occurring. We have huge wait times for surgeries. Wait times in the ER for complex care are over 17 hours—way above the provincial average—and you have increased risks. We do have one of the highest mortality rates in Canada in the St. Catharines hospital. They have been operating at a $12-million to $17-million deficit pretty well since its inception in 2000. It is the largest system in Ontario, it has eight sites, and it has never been properly funded since the get-go. When it started, it ended up with a $23-million long-term debt; that has now ballooned up to $120 million. They never received enough money for restructuring. They've never been properly funded. Because of this situation, they are in a restructuring plan, called a HIP, and it calls for more reduction in staff, more reduction in beds. It doesn't really take into account the situation of what's going on in the Niagara region, and it will only continue.

The Vice-Chair (Mrs. Laura Albanese): You have about two and a half minutes left for the presentation.

Ms. Sue Hotte: Okay. All right. I do have an explanation or description of where the cuts are on pages 6 and 7. I talked a little bit about the ER wait times and we have a little bit about the paramedics report. I will take some questions for two minutes.

Mr. Michael Prue: Oh no, you get five.

The Vice-Chair (Mrs. Laura Albanese): No, it will be five.

Ms. Sue Hotte: Oh, I get five minutes. Oh, I'm sorry. I misunderstood.

The Vice-Chair (Mrs. Laura Albanese): You can continue for another two minutes.

Ms. Sue Hotte: The other big problem is the closing of the ERs in Port Colborne and Fort Erie. They've lost pretty well all of their services. They have an urgent care centre that is set up. There is no guarantee that it will continue longer than being a 24-7 centre. In fact, as they're looking at it, there's a strong suspicion that that will be reduced.

There are huge transportation issues in the area. We don't have a single public transportation system, so if the ambulance comes and picks you up in Port Colborne and brings you to Welland, then you're on the hook to find your transportation back. Port Colborne has some of the more senior population. In Fort Erie, if you go to Niagara Falls, the cost is going to be about $180 to bring you back. That's quite a big hit.

The other thing that has happened is the increased need of ambulances. These costs are now borne by the Niagara region. For six months to have additional ambulances in Port Colborne and Fort Erie, it was over $3 million. They anticipate that it will be much more than that: probably around $6 million for next year.

We've had, unfortunately, a couple of deaths where people have died en route to the ER in Welland. In one case, the gentleman lived only a couple of blocks from the Port Colborne hospital; in the other case, it took 45 minutes to get to the hospital—way too long—and the young woman died.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission. I would now turn it over to Mr. Craitor for questions.

Mr. Kim Craitor: Sue, it's always nice to see you. For my colleagues around the table, Sue has been around for a long time, like me. I was president of the labour council and Sue was on the St. Catharines council. I think we were both about 13 at the time, so we've been involved for a long time.

Sue, just a couple of things, and I think it's important for my colleagues around the table to hear because the word "NHS" has come up a number of times. I will share with you—and you were there too—I can still remember when the previous government decided to restructure because they were in the same position we were in: Health care was out of control, and they were trying to determine what was the best way to reduce costs. They thought that the amalgamation of all of the hospitals going into one giant corporation called the NHS was going to save money, was going to improve health care, and that's the direction they went in. We've continued on in that direction.

A couple of things, then: We had a previous speaker who talked about the debt of the NHS. When they amalgamated all the hospitals, something like about $40 million in debt was sitting there, and when they created the corporation, the NHS, that debt was never eliminated. So they have a $40-million debt. In addition to that, with the restructuring of the Hotel Dieu Hospital, when they took it over, they picked up another $25 million or $30 million in debt. So they have about $110 million or $120 million in debt.

I have been suggesting even to my own government that there needs to be some way to take that debt off the NHS. They can't manage delivering health care and trying to manage a $110-million or $120-million debt. What would be your thoughts on that?

Ms. Sue Hotte: I certainly agree. First of all, the government never gave them enough money to work with when they went with the restructuring, and so the original cost—accumulating the debt of other hospitals. The only hospital that was solvent was Fort Erie, I believe.

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The second thing is, in terms of the debt, right now they're paying $12 million a year that goes to paying down that long-term debt. If their deficit is $17 million, you can see where part of their problem is: They're paying too much just to service this debt, which, really, the government should be on the hook to pay because they never fully funded it to begin with.

Mr. Kim Craitor: Thanks, Sue. The second question I have: If you're now the government, you're the one who's got to sift through and make the decisions, what would you be suggesting we should be doing down here? Should we continue operating with the NHS trying to run six or seven sites? Should we look at going back to the way it was where each community had their own individual hospital before this corporation was created? What would be your suggestion?

Ms. Sue Hotte: My suggestion is, first of all, that they adequately fund the system. The second suggestion I have is that the hospital boards be elected and accountable to the public. Right now, there's a great deal of dissatisfaction among people living in various communities like Port Colborne and Fort Erie because they don't seem to be heard. They have no way of being heard.

The NHS is very, very large, and in terms of cutting it up again and going back to individual hospital boards, if that is what the people want—and I'd go back and look at what the populations want—then the government has to pour in a great deal of money to allow that to happen. Otherwise, the small hospitals will flounder because they just won't have the financial support to go through another restructuring.

The Vice-Chair (Mrs. Laura Albanese): Forty-five seconds.

Mr. Kim Craitor: All right. Just one small correction: When I started, I remember clearly we were spending about 38% of all of our budget on health care. I think we're up into the high forties, getting close to the fifties, so the government has put a lot of money into health care. I'll just close with saying, and I've said this openly many times: I believe that in eight, nine or 10 years, whoever is the government, you could end up eventually having health care being the only program that we can afford to deliver in Ontario, because the costs are escalating so high. With that, I'll close.

Ms. Sue Hotte: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee.

PARENTS FOR CHILDREN'S MENTAL HEALTH

The Vice-Chair (Mrs. Laura Albanese): Now I call on the Parents for Children's Mental Health to come forward. You will have up to 10 minutes for your presentation. That will be followed by up to five minutes of questioning. If you could please identify yourselves for the purposes of our Hansard recording, you may begin.

Ms. Sylvia Naumovski: My name is Sylvia Naumovski.

Ms. Cyndy Davis: My name is Cyndy Davis.

Ms. Sonia Melnyk: And my name is Sonia Melnyk.

Ms. Sylvia Naumovski: Good afternoon, everyone. Thank you very much for taking the time to see us to discuss what is a very important issue and social problem: child and youth mental health. Sonia Melnyk and Cyndy Davis are from the St. Catharines area, and I'm from Toronto. We are here on behalf of all families across the province and as representatives of Parents for Children's Mental Health, PCMH.

PCMH is a provincial, non-profit, parent-led organization that provides a voice for families, children and youth who face the challenges of dealing with mental health issues. PCMH provides support and education and helps to empower the stakeholders by linking networks of families, communities, agencies and government. Parents for Children's Mental Health believes firmly in the promotion of family-centred principles of care. We also believe in our vision that children's mental health is everyone's business and that each child, youth and family has the right to achieve mental wellness. With your help and your commitment, we are confident that this will bring us closer to reaching our goal.

One of the key factors impeding significant improvement in the situation with child and youth mental health is the serious lack of funding. In recent years, there have been various evidence-based reports prepared and tabled that have starkly identified the funding challenge. Some of the reports include the Ontario poverty reduction strategy, the roots of violence, the Auditor General's report, and Every Door is the Right Door: Towards a 10-Year Mental Health and Addictions Strategy. In addition, there is the Mental Health Commission of Canada, which has done extensive work and research on developing a comprehensive mental health strategy for Canada. There are also numerous reports by the Canadian Institute for Health Information.

Taken all together, these reports underline the importance of good mental health. They describe the kinds of programs required and they offer a surprisingly consistent prescription for how to better coordinate and fund our collective efforts.

Moreover, all these reports recognize the importance of early intervention and diagnosis of mental health issues in our youth which, along with combatting poverty, will help to prevent children from being lost to the streets, and other effects of undiagnosed and untreated mental health problems that create such an economic burden for our province.

The evidence is overwhelming, not only compiled in reports but on our streets, in the homeless, the drug rehabilitation centres and oftentimes in our own homes.

The decision to act by allocating more money and more consistent funding for child and mental health services is long overdue and requires no more research or consideration.

Sitting before you today are parents representing families in Ontario who are coping with mental illness and the personal and social consequences of the inadequate funding for the existing system. We are proof of what is currently happening in our province.

I will now ask Cyndy and Sonia to tell their stories, to bring to you the vivid depiction of what many families and children are going through.

Cyndy?

Ms. Cyndy Davis: I began what seems like an unending marathon of seeking services for my two soon-to-be-adults almost 15 years ago.

My son, who is now 17, has been unique since birth. He was a precocious and engaging child and learned everything early, but he would go from being this bright, engaging child to one who would rage for hours, turning furniture upside down and jumping out of moving vehicles. He had night terrors and gory nightmares, and

he would cycle between laughing and crying within minutes.

I knew something was wrong and began to seek help for him and us here in Niagara, with little success. By the time he was 10, nothing had changed for my son. In fact, things got worse, so I sought services outside Niagara.

I found a psychiatrist in Toronto. This doctor, with his multidisciplinary team and holistic approach, was able to identify that what we were witnessing was not behaviour but symptoms of mental illness.

I drove my son and his seven-year-old brother to Toronto almost every Saturday for two years so that we could receive appropriate help. The comprehensive assessment and treatment changed our lives. My son's symptoms subsided and he was able to be the intelligent, kind, engaging, charming, witty person I knew him to be.

Those Saturdays spent driving to Toronto for psychiatrists' and therapists' appointments were difficult for my kids and me, as it meant weekends were taken up with seeing doctors and driving, in place of weekend activities. My children resented this and it was hard on me financially and emotionally, but the trade-off was not an option.

This all changed when our doctor became ill and we were required to transfer services to Niagara. Since then, it has been an uphill battle finding, accessing and sustaining services. No longer did my son receive a treatment plan or the care he needed. For this, I am still angry, resentful and deeply hurt, as I feel the lack of funding has created a system which has failed our family.

Shortly after, my sweet, sensitive younger son developed signs similar to my eldest's. One day, my then 11-year-old son tied a noose around his neck and tried to hang himself from a tree. This happened because the medications needed to be changed, but psychiatric care was not available for four more months and general practitioners did not have the knowledge to work with the medications my son was taking.

At the hospital we were stigmatized, treated like criminals and punished instead of cared for with compassion and understanding. My youngest son has been suspended from elementary school and has been involved with the police more than a few times, all before he was 12, because he does not receive proper care.

Because there is little prevention and the interventions are short-lived, our family continues to go from crisis to crisis.

I have been a single mom and have been sliding down a slippery slope, using what economic means I have had, losing employment, in almost a continuous state of worry. What if my kids' moods start to cycle? Where will I get help? How long will it take to get the help I need? What if I have to miss work from a new job today because I need to educate and advocate for my child at school? Will I have to use police intervention again, in place of children's mental health treatment, while waiting for services?

Not only have I dealt with grieving mental illness and worrying about how my children will fare, I contend daily with the stigma placed on us—the parent blame and shame—as well as the economic instability.

How long?

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The Vice-Chair (Mrs. Laura Albanese): You have about three minutes left. I didn't meant to interrupt you or to be rude in any way.

Ms. Cyndy Davis: Okay. I'll let you go.

Ms. Sonia Melnyk: At the age of six, my son tied two socks together and wrapped them around his throat until he turned blue. He has tried to jump out of moving cars on the 406 and in indescribable rages has attacked me while driving, almost causing us all to die in car accidents.

An incident triggered his mental illness to go from generally manageable and stable to spiralling down a slide to no places a child should ever see or be—completely unstable, both mentally and emotionally, causing extreme physical behaviour, eventually not even being able to attend school regularly.

I contacted our agency here, Contact Niagara, and I waited four weeks for an initial assessment interview and then another four months to see a therapist at Niagara Child and Youth Services. All the while, our families' lives were in complete turmoil. I had an infant daughter who was in a state of stress by the age of 12 months. All the while this continued, and only because the state of our crisis was so extreme were we actually able to see a psychiatrist four months after our initial assessment. Then we were later let go due to the closing of her practice.

What all this equals is time—wasted time when our family could have seen professionals and started treatment. Early intervention and treatment have proven to be 70% effective in treating children and youth with mental illness. Without adequate and sustained funding, the system is forced to treat on a worst-come, first-served basis, where it only intervenes in the most severe crisis situations.

The Niagara region is in a pitiful state for children's mental health, where there are almost no professionals: two child psychiatrists for the approximately 20,000 children who will deal with mental health issues. That's the one-in-five number the Canadian mental health agency talks about. Families have almost no hope of receiving help for their child if their child is not showing extreme crisis behaviour. Parents' and families' lives are turned upside down with little help. This means missed time at work for parents or having to survive on one income, if that is possible, due to your child's illness. I've had to start my own business because I was unable to hold down a job.

What I find terribly disgusting is that when my son broke his arm, we were admitted, X-rayed and cast in less than four hours, yet we've been in this system for three years now and him and thousands like him suffer and are being tortured by things out of their control because nobody has put a face to mental illness or the dollars needed to fund the programs.

My son and thousands like him deserve help. If he had cancer today and was sitting before you, would you tell him that he couldn't have pain medication because there was no doctor available to give it to him?

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. Now I will turn it over to the official opposition. Mr. Barrett.

Mr. Toby Barrett: Thank you, Chair. Thank you for presenting to the committee and for speaking up for children's mental health. You talked about a serious lack of funding and the long waiting lists and being unable to get urgent care and necessary care in a hurry. As we just heard, the Ministry of Health spends a very large amount of money. Adult mental health services are funded by the Ministry of Health; children's mental health services are not funded by the Ministry of Health. Has your organization or has the field taken a look at this?

Ms. Sylvia Naumovski: Yes—

Mr. Toby Barrett: Any comments on that, then?

Ms. Sylvia Naumovski: Yes, but you're still responsible for making sure that there are adequate services for children's mental health, so children and youth services needs to address it.

Mr. Toby Barrett: Yes. It's another ministry.

Ms. Sylvia Naumovski: Yes, we've actually talked to Laurel Broten and we've talked to the previous minister about it. We're trying to tell them that this is a very important issue because it's preventive. You can reduce all sorts of problems if you just address it.

As a matter of fact, statistics show that early diagnosis, intervention and treatment have proven to be 70% effective in treating children and youth with mental illness. One of our biggest things is that the suicide rate continues to rise. Already, suicide is the leading cause of non-accidental death among youth ages 10 to 17 years, with 90% of the deaths occurring in youth with diagnosable and treatable mental illness. So it needs to be addressed early and it needs to be addressed now. As I said, there are numerous documentations, international work done, examples that early intervention is the way to go in mental illness.

Mr. Toby Barrett: This government also has a Ministry of Health Promotion and prevention. Do you think there's a role for them?

Ms. Sylvia Naumovski: Definitely a role for them. Schools want it. It crosses over to many, many different departments.

Mr. Toby Barrett: Certainly.

Mr. Peter Shurman: Thank you very much for a very important presentation. Ladies, thank you, both of you, for sharing with for us what must—I can only imagine what you've been through with this.

I'm going to ask for an opinion, a little bit of a departure from the kind of questioning that we do. I recognize the need for the funding that you're talking about and you probably recognize that the government—any government—when it puts together a budget, puts it together on the basis of what it prioritizes as the most important things that it can spend its money on. There are a lot of groups that appear here and say, "We need more. We need more." The initiative that the McGuinty government has announced to fund earlier childhood education, junior kindergarten, is a pretty expensive one. Would you prioritize that as more important than dealing with the problems you've illustrated?

Ms. Sonia Melnyk: Absolutely not. My daughter is three and a half right now and will be attending the new program that you're talking about in September. It is pretty much glorified daycare. You can receive, in a proper government daycare, the same amount of education that you would in this new program they're enrolling, yet there are thousands of other children who are left in the dark because there are no programs that they can attend to deal with their mental illness and help them with therapy.

Mr. Peter Shurman: Thank you. I was going to ask what it takes to escape from the phrase you used, "worst come, first served," in some of your documentation, but I don't have to ask the question because I think both of you illustrated it, especially with the issue that you highlighted, going to Toronto every Saturday and then effectively being left out in the cold.

You have, all three of you, read about the major financial issues facing Ontario today at a governmental level. What happens if there is absolutely no increase in funding for this year?

Ms. Sylvia Naumovski: For children's mental health? It will just deteriorate more and you're not addressing it. It has got to be addressed because it has been 10 years that it has been frozen. It can't go on like it is. We're losing our workers because they're underpaid, understaffed. We don't have enough psychiatrists working. We don't have anybody to help us out.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds left.

Ms. Cyndy Davis: Absolutely. We just can't go on like this. Not only that, it's what happens—the trickle-down effect from that. These children are growing up to be adults. It's going to put an additional burden on the adult system as time goes on.

Mr. Peter Shurman: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee.

BINATIONAL TOURISM ALLIANCE

The Vice-Chair (Mrs. Laura Albanese): Now I call upon the Binational Tourism Alliance to come forward. Good afternoon. You have up to 10 minutes for your presentation. I'm sure you heard this from the previous presenters. There will be up to five minutes for questions. This rotation will go to the NDP and Mr. Prue.

Ms. Arlene White: Thank you.

The Vice-Chair (Mrs. Laura Albanese): You may begin. Please state your name for the purposes of the Hansard recording.

Ms. Arlene White: I want to thank the panel members for providing me with this opportunity to present during

these community pre-budget consultations. My name is Arlene White. I'm the executive director of the Binational Tourism Alliance, a membership-based tourism, economic and industry trade organization based in Niagara Falls, Ontario, and Buffalo, New York. We have over 140 members representing over 7,500 tourism and business operations from Manitoba to Plattsburgh, with the majority of these located in the cross-border Niagara region.

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Our mandate is to facilitate collaborative tourism development in cross-border regions in order to raise the profile and importance of both the tourism industry and cross-border regions to the North American economy.

I'm here today on behalf of the Binational Tourism Alliance members, and the other cross-border communities across the province that depend upon tourism for their economic survival and growth, to ask that you include funding for border remedial action and issues unique to border communities in your 2010 budget.

Since September 11, 2001, the tourism industry has seen dramatic decreases in visitation into this province as a result of an ongoing series of North American and global events: terrorism and the resulting increase in security measures at our border points; viruses like SARS, West Nile and H1N1; the recession and ongoing job losses reducing disposable income and budgets for leisure and business travel; fluctuating gas prices impacting all modes of travel; and climate change affecting traditional weather patterns and our seasonal offerings.

In Niagara region alone, we have lost 7,000 jobs in the tourism industry since 2001 and have seen our visitor traffic shrink from a peak of almost 14 million in 2000 to half that number in 2009. Ontario has more border entry points than any other province in Canada—Fort Frances, Sault Ste. Marie, Sarnia, Windsor, Niagara and the Thousand Islands should all be familiar to all of you—and historically has hosted between 35% and 40% of the visitors to this country, with a great majority of these visitors coming from the Great Lakes states of New York, Michigan, Ohio, Pennsylvania and Minnesota.

Windsor and Niagara are the busiest bridge crossing communities along the northern border—Windsor for its commercial traffic and Niagara for its leisure and commercial traffic. The traffic that flows back and forth across these border points drives the economy of North America. The US is Canada's number one trading partner, and Ontario has a pivotal role to play in ensuring that safe, secure and efficient trade and travel continues throughout the Great Lakes region and to other parts of the US and Canada. The province's long-term growth, global competitiveness and economic and social stability depend upon these historic gateways.

In June 2009, we felt the full impact of the implementation of the western hemisphere travel initiative that enforced specific documentation at air, land and marine crossings into the US: passports, Nexus cards and enhanced drivers' licences for anyone over the age of 16. Our bridge volumes across the northern border reported dramatic decreases year over year for each month from June to December 2009, and this was attributed directly to the new legislation, with recognition that the recession, reduced marketing budgets and resulting promotion of staycations across many jurisdictions also had an impact on the reduced crossings last year.

Let me clarify that the problem is equally significant to our US colleagues in cross-border regions. This isn't just a Canadian problem. The Office of Travel and Tourism Industries in Washington reported 10 consecutive months of decreases in international visitation to the US after 60 straight months of unprecedented growth. Both US and Canadian tourism operators in cross-border regions reported business decreases of 20% to 40% in 2009, bus tour companies reported cancellations of tours into either country due to border crossing ID issues, and airlines continued to reduce flights into various airports to save on fuel costs. This has been the first recession on record to see cross-border residents reduce their day trips into either country, and we've seen an increase in vacation and leisure home sales in our beach and ski communities as owners find that family and friends can no longer easily cross the border.

We recognize that these circumstances were dictated by the US federal government, that the existing legislation is not going to change any time soon, and that business and leisure travellers will eventually get the correct identification should they wish to travel back and forth easily. However, it will take years to recoup the number of visitors we used to receive, who provided much-needed external dollars to the tax base in our communities as well as to the provincial and federal coffers, if we do not take specific action.

Considering the provincial investment made in tourism capital projects over the past 10 years alone in a community like Niagara—the casinos, Shaw Festival, Ontario Welcome Centre, Niagara College culinary and visitor centres, Niagara Convention and Civic Centre, and Fort Erie Race Track are just examples—and the matching investments by the private sector in hotels, golf courses, attractions, transportation and other services, we must act now to ensure that these investments are not lost and that the jobs and tax revenues these initially created are stabilized and allowed to grow under a new long-term strategy. We believe the best way to do this is by rolling out a border remedial action plan that will attract US and international visitors back to Ontario and make travel back and forth to the US easy for our own residents. While the Canadian and US federal governments did market these changes to the broader public over a year and a half prior to June 2009, this came nowhere close to informing all the residents of the US and Canada of the changes they would encounter at the northern border.

CBSA and US Customs and Border Protection have been reporting high compliance rates at the border crossings, but this is misleading, since it covers only those who have the right identification. Initial research has indicated that consumers are still confused by the identification requirements and where they need to go to

get these, and that cost is a factor because of the current economic climate.

Therefore, over the past six months we have met with industry stakeholders throughout our region and from other parts of the province and states, as well as representatives of CBSA, CBP, and the Ministries of Tourism and Transportation and their counterparts in the US, to develop a border remedial action program to deal with the current situation. This involves several components and partners and can easily be rolled out across the province to other cross-border regions.

The program includes the correct research to determine all mobility issues at all border crossings for those people who are no longer crossing the northern border, including all modes of travel—land, marine and air—and what it would take to bring them back; local binational community marketing, education and outreach clinics to assist our residents on both sides of the border in applying for and obtaining the correct form of ID to suit their travel needs for day and overnight trips and encouraging them to continue crossing the border; and development of marketing and incentive programs in partnership with third party travel trade operators to reach former and new visitor markets in order to attract them back to our province for overnight trips.

The program involves our US tourism colleagues as well as the Canadian and US federal governments and accommodation of private, public and not-for-profit partners, including non-tourism sectors like Canadian and US chambers of commerce, economic development offices, shopping malls, municipalities, schools, seniors' homes, bridge commissions, transportation, and duty-free operators who have a vested interest in working together to drive new business to our northern cross-border regions.

We have asked the Canadian federal government for assistance in the amount of $300,000 for 2010 to help us roll out the program in Niagara and would like the province to commit to a similar amount in 2010 so we can roll this out in all other cross-border regions of Ontario.

Based upon preliminary research and discussion with industry partners about possible travel incentives, Ontario is in a unique position to utilize the Ontario sales tax rebate system currently in place to attract additional visitation and revenues through use of that program. We've already completed analysis and calculations as to the amount of spend a visitor would require to qualify for a rebate that could technically cover the cost of their new identification while increasing overall provincial tax revenues.

As we move into the recovery mode in 2010, it's imperative that we utilize new creative partnerships and incentives to reposition Ontario as globally competitive and a leader in the North American markets. We have overlooked the importance of our cross-border regions for far too long. They are critical to trade, transportation, tourism and the long-term economic growth of our province. We need to take the necessary measures to maximize the potential of these key trade zones through new strategic development and innovative collaboration with our Great Lakes partners. Opportunities exist for new product development and job creation in the logistics, multi-modal transportation, medical, agricultural, technology and sports sectors, and all of these have links to tourism, business travel and attracting new markets.

The results of our first border remedial action survey and information about these new growth sectors will be shared at our upcoming BTA summit on March 25 and 26 in Niagara Falls, New York.

The Binational Tourism Alliance, our member organizations and North American tourism and economic development partners in other cross-border regions of Ontario look to the province to recognize and help redefine these unique regions and the critical roles they play and to assist in funding support for this initiative and others that will strengthen the long-term viability and growth of Ontario. We are pleased to work closely with you, offering our resources and assistance in the development of new cross-border policies and programs that will reposition the Great Lakes region as the North American economic driver it should be in the 21st century. I've provided you with an attachment of the project outline that we've already started to work on.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now turn it over to Mr. Prue for questions.

Mr. Michael Prue: Thank you very much for the presentation. Several of my colleagues and myself belong to the Council of State Governments. We go and we talk about this at least once a year somewhere, and the next one is going to be held in Toronto. The Americans are going to come, I guess, and see this area. But you pointed out the right thing: The problem is resulting because of the federal, national government of the United States. The state governments want to do exactly what you're saying.

Ms. Arlene White: Right.

Mr. Michael Prue: They want to do exactly that. The problem is that the Americans believe that security trumps trade. When I talk to them, they all say that, they all believe that, and the whole thing is just tightening the screws so that nothing can happen.

How do we change that mindset? Because when we change that mindset, the rest will fall into place.

Ms. Arlene White: We aren't trying to change that mindset anymore, with all due respect. We know that Obama is not going to come anywhere close to dealing with that in his first term, and if he has a second term we'll be lucky to hit that. We know that the Democrats are not going to take the chance of being seen to be soft on security, and we deal with the legislators on both sides of the border, so we're very familiar with this. Louise Slaughter is a good friend and she's high enough up in the government that she has told us pointedly this is not going to be a major issue. They are going to have to deal with their other issues—education, health care, the same things that we're dealing with.

But having said that, we can't wait for the feds to change their minds. What we need to do is get the right ID into the hands of every single North American to make sure that we can bring trade back to our cross-border regions and bring those relationships back. We've created a Berlin Wall, and now it's our problem to deal with. New York state and Ontario have the biggest stake in this because we're each other's biggest trading partners, but also the biggest trading partners that lead into each other's country's economies. So this is a North American problem that has been caused that we have to fix now at a local level.

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Mr. Michael Prue: You need the right kind of documentation. The province tried to look at an enhanced driver's licence, but that has fallen apart; it's not going to work. The Nexus card might work. Is there anything else that will work? Having everybody have a passport won't work, obviously.

Ms. Arlene White: What we feel is that we need to sit down and actually talk to people, and that's why we're going to do community outreach into shopping malls, schools and the rest. An example is: Nexus is free to people under the age of 18. Why is every school not putting that into their school orientation packages, from elementary through secondary through post-secondary? There is a means of identification; safe, child-secure identification, and a means to get that message up to their parents. Again, because it's free it's economical for a family of four. Passports are not economical. As you said, the Ontario enhanced driver's licence program has been disappointing at best, but again, we are going to be taking that one out as well to help promote it because New York state has done a very good job of that one.

Mr. Michael Prue: On the last page you have "Funding," and you have, "NITTEC $250,000 loan, $10,000 CAP funding, community partners," and then you have $300,000 for SODP, $300,000 province of Ontario funding request and $100,000 national grid request. How much money is this going to take? This is the finance committee. We always come down to that. How much is this going to cost to do it right?

Ms. Arlene White: To do it right? What we need is approximately $1.2 million over a two- to three-year period to actually do the legwork, to get out there on both sides of the border, to get the locals covered—because again, when you look at the population just in this cross-border region between Toronto and Rochester, that's what we're focusing on first; to keep that moving. By having the additional funding through the end of this year and the next year, we can help every single other cross-border region pull in comparable community partners on both sides of the border, like the shopping malls, the duty-frees and the bridges, to ante up their portion because they all have a vested interest in getting the right ID into each others' hands to keep our border traffic moving back and forth.

What we're looking at, as I say, overall, is a $1.2-million project. We're asking the province for $300,000 of that, the feds for $300,000, and going to the US government for the same as well as our private sector partners.

Mr. Michael Prue: So this is $300,000 from the province over two or three years.

Ms. Arlene White: That's right.

Mr. Michael Prue: So this is not a lot of money.

Ms. Arlene White: No. And it's a wise investment.

Mr. Michael Prue: Do you believe American tourists will actually come back? The reason I ask that is, I had an opportunity to be in Mexico for a week over the Christmas vacation. They were complaining that the number of American tourists going there has declined remarkably too. They seem to be insular and staying at home.

Ms. Arlene White: The problem is that we've all been promoting staycations, and there have not been big marketing budgets in tourism for any one of the jurisdictions on either side of the border. We're hoping that this year we'll show some recovery, but we stand a better chance than, I believe, the southern border does because of the tight relationships we've had in our own cross-border regions with Americans. They would love to come. They need the right ID to get here, and we need to help them with that.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation.

NIAGARA CHILD AND YOUTH SERVICES

The Vice-Chair (Mrs. Laura Albanese): I now call on Niagara Child and Youth Services. Good afternoon. You have up to 10 minutes for your presentation. That will be followed by five minutes of questioning. Please identify yourself for the purposes of our Hansard recording, and you may begin.

Mr. Ellis Katsof: My name is Ellis Katsof. I am the executive director of Niagara Child and Youth Services. Thank you for the opportunity to talk to you today.

Our agency is the main provider of children's mental health services in Niagara region. We are a member of Children's Mental Health Ontario. CMHO has submitted a brief to your committee, so I will not repeat everything that you have already heard or read in their brief. What I would like to do is bring their brief to life at the local level and explain how the issues identified by the CMHO affect local agencies, children, youth and families.

What better way to bring this to life than telling you a little bit about our community's primary children's mental health agency, Niagara Child and Youth Services? We are a medium-sized mental health agency with a budget of about $8.3 million. We provided services last year to over 4,200 people. We provide a range of mental health services to children, youth and their families. Although our clients have challenges in their early years, most of them have the capacity of becoming outstanding citizens if they receive appropriate treatment early on—and you heard about that from the parents' association

earlier. We know that treatment works—research proves it—if it is available at the appropriate time, early in life.

NCYS, like all children's mental health agencies across Ontario, has experienced increased costs year after year. According to a statement in 2008 by our Provincial Auditor, over the past 18 years, since 1992, children's mental health agencies in Ontario have only received increases to their base funding—inflationary increases—twice: in 2003 and 2006. Therefore our agencies have had ongoing budget shortages or structural deficits due to a lack of annual inflationary increases to our base budgets.

NCYS, like other children's mental health agencies, has been proactive. We have been transforming our services this year to make them more accessible to children, youth and families. This coming spring we are planning on implementing a brief, solution-focused therapy model; decentralizing our services through creative partnerships with the school boards; streamlining our intake processes so individuals don't have to wait four months; implementing walk-in clinics across the region; and exploring the implementation of a family preservation program that will result in a significant increase in the number of high-risk clients that we can serve—for example, from 12 to over 120, with the same dollars that we currently have. All these changes will transform the way we serve children, youth and families in our community.

Unfortunately, these innovative changes will be at risk if we do not receive a basic inflationary increase to our budget. A 3% inflationary increase is not to expand our services but just to maintain what we have today. It will only be used to eliminate the structural deficit that is causing children's mental health agencies to cut services every year.

If NCYS does not receive this increase, it will probably have to eliminate four staff positions so that it does not incur a deficit. Four positions may not sound like a lot to you, but it will result in over 600 children, youth and families not receiving service next year.

Furthermore, without annual inflationary increases to our base, we will have to continue decreasing staff to respond to the structural deficit each year ongoing.

While the provincial government has not provided children's mental health agencies with annual inflationary increases to their base budgets to deal with staffing costs, which are 75% of our costs, and other inflationary costs for 16 of the last 18 years, it has provided these increases to civil servants, correctional employees, nurses, teachers, provincial police, hospitals and doctors. All that children's mental health agencies are asking for is equity, equity for our clients to be treated with the same respect as the clients of all those other professional groups, groups that have, at a minimum, been able to maintain their services because of inflationary increases that are built into the annual contracts that are negotiated with each of those employee groups.

Why children and youth with mental health problems have been treated this way is difficult to understand, especially when you examine the numerous facts related to children with mental health challenges.

Let's look at some of the facts that our Ministry of Children and Youth Services published last year. Untreated mental health issues may be associated with increased risk for criminal behaviour, substance abuse and chronic or persistent mental health issues in adult life. Many adults with mental health difficulties report having the onset of problems in early childhood and adolescence. Fifteen per cent to 21% of children and youth in Ontario have at least one mental health issue. Five per cent of children and youth experience depression before age 18. In Ontario, the prevalence of mental health disorders among children who are permanent wards of children's aid societies was 31.7%. Over 60% of youth in conflict with the law have diagnosable mental health and substance abuse problems. Seventy-five per cent of children and youth with mental health disorders do not receive specialized treatment. Finally, suicide is the second leading cause of death after accidents among 15- to 19-year-olds.

These statistics speak to the enormous emotional as well as financial burden on individuals, their families and society as a whole. The costs of childhood disorders can be both large and largely hidden. Early onset of mental health disorders disrupts education and early careers. The consequences in adulthood can be enormous if treatment is not provided. Yet our sector has been chronically underfunded compared to numerous other sectors for 16 of the last 18 years, creating a structural deficit in all children's mental health agencies in Ontario.

The Mental Health Commission of Canada described the state of child and youth mental health services as "the most neglected piece of our health care system, with 75% of children and youth with mental health disorders never obtaining the specialized treatment they need." In Niagara, the 75% translates into about 14,000 children and youth not receiving the care they need.

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Ironically, when children's mental health agencies are currently struggling with a structural deficit, we have policy-makers identifying the importance of mental health services. That's correct. The policy focus is finally on mental health. In Ontario, MCYS has a 10-year policy framework for children and youth mental health called A Shared Responsibility. In Ontario, there's an all-party Select Committee on Mental Health and Addictions, along with a Ministry of Health and Long-Term Care advisory group. As well, the education ministry and MCYS are working closely to improve student access to mental health services.

At our national level, the Mental Health Commission of Canada has been created to focus national attention on mental health issues. The commission has recently released a report called Toward Recovery and Well-Being: A Framework for a Mental Health Strategy for Canada.

The time has finally come to take mental health out of the closet and treat it with the same respect as broken arms, cancer and other physical health issues. If your child was diagnosed with childhood diabetes today,

would you sit idly by when you're told she would have to wait at least six months for service or, worse, that she wouldn't be receiving service? Of course you wouldn't and I wouldn't either. Then why should children with mental health illnesses have to wait? Now is not the time to make cuts to our sector, nor not provide annual inflationary increases to children's mental health base budgets. We could be asking for more dollars for more services but we're not. We're just asking to maintain the core while we restructure and expand the scope of our services within the dollars we have.

I recognize the challenge that your committee has to prepare a budget to deal with the current deficit. MCYS is making significant changes to our service delivery model to extend the services to more of those 14,000 children and youth who are currently not receiving service, but who will tell the 600-plus families in Niagara and the thousands more across Ontario that their children will not receive service next year that they desperately need, which may end up having a lifelong impact on their well-being and a major impact on taxpayers in the future?

The children's mental health sector is only asking for the same treatment that doctors, nurses, provincial police, teachers etc. have been receiving for many years. The children we work with can either receive the help they require and go on to become our future trades workers, civil servants, artists, athletes and professionals or they can become individuals who have chronic mental health problems and can go on to lead troubled lives in and out of health institutions, the courts, mental health programs, correctional facilities, living on Ontario Works and other government benefit programs—services that will cost all of us, the taxpayer, significantly more over their lifespan than our services will cost while they are young.

The choice is ours as a society and yours as leaders entrusted with the responsibility of guiding the expenditures of our provincial government. We recognize that you have to make fiscally difficult decisions. We're asking that you take into account the funding history of our sector over the past 18 years and the lives impacted by our services when you make your budget recommendations to cabinet. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you. This time the questioning will go to the government side, Mr. Flynn.

Mr. Kevin Daniel Flynn: Thank you, Ellis. It's good to see you again and it's good to be working with you again.

Mr. Ellis Katsof: Thank you.

Mr. Kevin Daniel Flynn: Thank you for two things. One, for the appreciation of the situation that we're in as a government, obviously—it's not like any other government around the world. Times are tight, but thank you for being so frank and forthright about the issues that are being faced today with children's mental health because the two aren't, as you've described, mutually exclusive. In fact, there's a very strong relationship between the two.

As you know, I chair the Select Committee on Mental Health and Addictions. We've been travelling the province. We've heard from a number of organizations quite similar to the presentations we heard today. The stories are compelling. There seems to be a public appetite as well to deal with these issues finally. The stigma is starting to fall away a little bit. People are coming out, and the brave people who came today and described their own family situations are evidence of that. Has anybody quantified the cost of not doing anything?

Mr. Ellis Katsof: Yes. There are studies in the States. There are none in Canada, so I was uncomfortable using some of those, but the costs of not doing anything on all those services that adults use, and we read about them in the papers all the time, are probably five to 10 times, if not more, than the costs of providing our services and helping young people become well before their challenges are so complex that it's difficult to help them.

Mr. Kevin Daniel Flynn: As chair of the select committee, I have to tell you, it's the most non-partisan issue that I've been in, and the members of the opposition and of the third party have conducted themselves admirably in this. It's really been a progressive and a co-operative process to date.

One of the things we heard, as we were travelling in Kingston, from the former Chief of Psychiatry at Kingston General Hospital was that people talk about a shortage of psychiatrists and child psychiatrists in the community. What he claimed was that in Kingston there was no shortage of psychiatrists; what there was was a shortage of psychiatrists who would see patients or psychiatrists who would see children, that most of them were doing research at Queen's rather than seeing patients. Do you see any evidence of that in the Niagara region?

Mr. Ellis Katsof: Yes, and I've worked across the province. I'd say there's a systemic issue, that psychiatrists can earn a whole lot more and work in a much easier environment working with adults than they can with kids. It's a very, very hard challenge, and it's also not as lucrative financially.

Mr. Kevin Daniel Flynn: My colleague Mr. Craitor has some questions, I think.

Mr. Kim Craitor: How much time do we have, Chair?

The Vice-Chair (Mrs. Laura Albanese): We have two minutes.

Mr. Kim Craitor: Ellis, it's good to see you. You were in the office the other day. You have great enthusiasm and great caring, and it shows here at this committee hearing.

Just a couple of things: I think I told you when we were sitting in the office and I'd met you for the first time that I remember when I first became a provincial member of parliament and came off city council. If you'd asked me about roads and sewers and parks, I knew it inside out. In less than six months, it was just astounding to me about the social part of the community, something I had not been so actually involved in. Whether it was autism, ADHD, mental health issues, it boggled my

mind, the difficulties people were having through their lives. I often wondered how many of these people, even when they sat with me and I was trying to help them, were able to even cope with it.

Your message is loud and clear, and I took it back to Queen's Park when we sat and discussed the fact that you needed to know where you stood financially. You're asking not for millions and millions of dollars; you're asking just to maintain the core services. You were prepared, as an organization here, to restructure yourselves as well to keep those services going. Do you want to just go over that again for the committee, and particularly for my colleagues, what you shared with me?

Mr. Ellis Katsof: Regarding the restructuring?

Mr. Kim Craitor: Yes.

Mr. Ellis Katsof: Yes. I'm not only speaking for my agency; I'm speaking for associations, for many of our agencies. There's restructuring going on across the province. We recognize there are different ways of delivering our service. We recognize that we can do it using what's called best practices—proven methods. We're not taking chances. We're using best practices and delivering a far more efficient service.

We estimate that in Niagara we can increase our service by probably 25% to 30% with our current dollars, and it's our responsibility to do that. The challenge is if we lose staffing due to a lack of inflationary increases to cover our costs—because our costs go up, salaries go up, we have pay equity of 1% every year that goes up and just the cost of food in our residential programs and all the other expenses—then we're not gaining all the gains we have in restructuring. We're back to where we were.

So we admit we have responsibility. We're taking that, our agency and many others. There are four in London, Ontario, that are merging. There's one in Windsor that has created a whole walk-in program and another in the north that's going right into schools. There are lots of creative changes going on. We can't do that if we don't have this inflationary increase. Thank you for the question.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

NIAGARA HOME BUILDERS' ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We'll now call the Niagara Home Builders' Association to come forward. Good afternoon. You will have up to 10 minutes for your presentation; that will be followed by five minutes of questioning. This coming round will go to the official opposition. Please state your name for the purposes of Hansard recording, and after that you may begin.

Mr. Chuck McShane: Madam Chairman, members of the committee, good afternoon. My name is Chuck McShane, and I'm the president of Niagara Home Builders' Association. I've been involved with the association for the past 15 years, and I'm currently employed by the Colaneri family, a family that is involved with many aspects of our industry, employing over 200 residents in the Niagara region.

Joining me is Stephen Kaiser. Stephen is co-chair of our government liaison committee and past president of our association, as well as past president of the Ontario Home Builders' Association and the Urban Development Institute.

We're volunteer members in the association, and in addition to our business and personal responsibilities, we are dedicated to serving our industry. The Niagara Home Builders' Association is the voice of the residential construction industry across the Niagara region. Our association includes 100 member companies involved in all aspects of the industry and we collectively support thousands of high-quality jobs. We are proudly affiliated with the Ontario and Canadian home builders' associations.

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This past year has been a difficult one for our industry, with a 25% decline in housing starts across Niagara, and we are very concerned about the uncertainty caused by a host of provincial government initiatives.

Let me first speak about the harmonized sales tax. We recognize that the shift to a value-added tax will yield some benefits to the broader economy but harmonization will bring about significant taxation implications that will impact consumers of new homes and residential renovations.

First I'll address new housing. We were very appreciative that the government was willing to listen to our concerns and work with us to improve the tax structure as it applies to new housing. I want to be clear that while we support positive measures taken, the tax still represents a net taxation increase for homes valued over $400,000. The complex transition period into the new regime will have impacts on housing affordability and will weigh on the future performance of our industry in terms of job creation.

Once the new tax is imposed, every home over $400,000 will face an additional $6,000 in new taxes for every $100,000 the price is over the $400,000 threshold—this, at the same time that we are facing thousands of dollars in new development charges on those same future homes in areas of our region. Therefore, we strongly recommend that the government should increase the $400,000 threshold. A substantial portion of our market here in Niagara is above the $400,000 threshold. This segment of the local economy and the jobs associated with the construction of those future homes are in jeopardy.

With respect to residential renovations, we have serious concerns that the 13% sales tax burden will dramatically increase the underground economy. The underground or cash economy is estimated by the Altus Group to represent 37% of total output of residential renovation contracts in Ontario. That's $5.2 billion in unreported economic activity happening under the table. The introduction of a single sales tax will increase the sales tax burden from 5% to 13%, which is like throwing

gasoline on to a fire with all the problems the GST caused in terms of driving business underground.

The Altus Group recently estimated that an increase in the sales tax from 5% to 13% will result in significant revenue losses for the government—losses of up to $298 million in GST revenue annually, a loss of up to $1.6 billion in income tax revenue annually and a loss of up to $767 million from other revenues such as CPP, WSIB, employer health tax and employment insurance premiums.

To mitigate the impact of the 13% sales tax on the underground economy, we strongly recommend that both the provincial and federal governments introduce permanent home renovation tax rebates for their portions of the sales tax. The rebates should go directly to consumers to encourage the collection of receipts from legitimate businesses. The Ontario government portion of the permanent home renovation tax rebate for contractor renovations should rebate 5.4% of the contract value on all qualifying professional contractor renovations. The 5.4% is calculated as the difference between the 8% provincial sales tax and the 2.6% estimated to be currently embedded in the contractor renovations through the payment of PST on materials and supplies.

I would now like to turn the presentation over to Stephen to speak about some other issues impacting our industry.

Mr. Stephen Kaiser: Good afternoon. Last week, President Obama, reflecting on the electoral uprising in Massachusetts, called the voters angry and frustrated. I believe our industry holds the same feelings in terms of the recent direction of the provincial government regarding initiatives related to our industry. In these tough economic times, we have not asked for bailouts similar to the auto sector. We are simply asking for policies that strengthen our industry and do not create a business climate of uncertainty.

You have heard our concern in regard to the new HST. My company builds custom homes costing well over the $400,000 threshold. This year, we do not have one confirmed contract for the upcoming year. That means a loss of jobs here in Niagara and a loss of tax revenue to all three levels of government.

I'd like to talk about a number of other policies that cause us concern here in Niagara.

The first is the province's greenbelt initiative. Let me be clear that our association realizes how unique and valuable certain lands are in the region, and we are not advocating any form of large-scale development of these lands. We are asking, though, for a thorough understanding of these policies and the implications they create.

I'm a member of the Ontario Home Builders' land development committee. Not long ago we met with a senior bureaucrat from the Ministry of Municipal Affairs and Housing. He admitted that the greenbelt initiative may be the largest catalyst to urban sprawl we have seen in this province. In many cases one of the primary criteria for smart growth is being abandoned, and that is the utilization and maximization of existing infrastructure.

Let me give you a local example. To the credit of the provincial government we are currently building a regional hospital in the west end of St. Catharines. The hospital is directly across the street from the city's transit headquarters. It's a short distance away from the train station, which one can today use to travel back and forth from Toronto. It is close to and has easy access to the QEW highway and will soon have two nearby accesses to Highway 406. It is surrounded by all those things you'd find in an urban community, such as a four-pad arena, big box shopping and retail stores.

There's only one problem: The greenbelt effectively ensures no new homes will be built in close proximity to all those components of smart growth.

The greenbelt has effectively shut down future growth in the northern sector of our region, with huge implications to the municipalities of Grimsby, Lincoln and St. Catharines. A senior economic development officer with the region, in a recent meeting I had with him, said he believed the region may suffer a huge negative economic loss due to the implementation of the greenbelt.

Contrary to the principles of smart growth, in Niagara we are being forced to grow away from our existing infrastructure, and from an industry perspective this direction is also away from where our market wants to live.

It gets worse.

The province's new Places to Grow policy, although a good first effort to provide a framework for growth to the year 2031, has a compounding negative effect for Niagara. The densities dictated in the document may be unachievable in some cases, due to the marketplace here, and the policies, when applied, push growth in a direction away from our existing infrastructure.

More importantly, from our industry perspective, they push growth away from where people want to live. Let me explain.

We have 12 lower-tier municipalities here in Niagara, all very unique in terms of our housing market and the current capacity within their existing urban boundaries. We find ourselves at the time of review with a 39-year overall land supply in the region, based on the anticipated growth to the year 2031 and the total amount of land inside urban boundaries across 12 municipalities.

The current policy ignores the fact that the land may not be in the area where we have a market and disregards the implications of the greenbelt and the fact that our marketplace in Niagara is greatly impacted by our close proximity to the Hamilton area.

The Vice-Chair (Mrs. Laura Albanese): Less than a minute left.

Mr. Stephen Kaiser: As a result of this new policy and the amount of land a municipality has inside its current boundary, a city like Port Colborne is now forecast to increase dramatically from a handful of housing starts on an annual basis, while a town like West Lincoln, which has historically experienced a much higher housing demand, will not be able to meet future

housing demands due to the amount of land it has within its current urban boundary.

This new growth strategy needs to be reviewed immediately to address the clear evidence that when the policy is applied to Niagara, it does not work. The evidence is in the fact that our regional government, the town of West Lincoln and the province are currently arguing over the framework of this policy at the Ontario Municipal Board.

Changes need to be made to Places to Grow that reflect unique circumstances, such as our vast supply of land in areas where we do not have a market or current marketplace, and the influence of market forces outside the jurisdiction of the region on the future homebuyer.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. The time has expired, unfortunately.

Mr. Stephen Kaiser: Sorry. We tried, but we almost got it in. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Yes, but we got most of it in. At this point, I would ask the official opposition—Mr. Shurman.

Mr. Peter Shurman: Thank you, Chair, and thank you, gentlemen, for a thoughtful presentation.

I'm concerned as well—our party is concerned—with the impact not only on your industry but on the people who are your clients, your customers.

You've indicated that you would favour a threshold change from the $400,000 exemption that the government has included in its HST legislation to some other number. Would you like to share that with us?

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Mr. Stephen Kaiser: Sure. We don't think that housing should have, at this time right now—and as I said, I build custom housing. So if we're talking about something in the area of an $800,000 home, with that $400,000 threshold, you add in another $24,000 in tax overnight to that home. That same home is getting hit with new development charges from two levels of municipalities, the region and the lower tier, plus all the other costs in terms of the changes to the code.

I don't have an ideal threshold to throw out. I just think it seems absurd that at this point of our economy and where we're at, we're throwing taxes like this on something that creates jobs and investment in the province.

Mr. Peter Shurman: All right. Let's leave the HST per se and go to another item. You talked about various costs that are attached to the transfer of a home. A policy that we put forward as a prospective one would be to eliminate for one year the land transfer tax in the province of Ontario. Would that be something favourable to your industry that you think would spike it?

Mr. Stephen Kaiser: Actually, going back to my days with the Urban Development Institute, it was myself and a gentleman, John Latimer from Monarch, who sat down with Mike Harris and proposed eliminating the first-time homebuyer land transfer tax, or a program to eliminate land transfer tax for the first-time homebuyer. So I'd have to say that I'm in total agreement with that.

Mr. Peter Shurman: Okay. One last question before my colleagues take over. You, in your brief, totalled up $2.5 billion in what you say will be increased losses in various programs—GST, CPP, WSIB, EHT and so forth. Where did you get the figures?

Mr. Stephen Kaiser: Those figures come from our consultant, Altus, who did an overview of the impact of the new tax.

Mr. Peter Shurman: So they calculated them based on all of the factors that they could pull in and came up with those numbers as estimates?

Mr. Stephen Kaiser: Correct. We'd be happy to supply a copy of that report to the committee if you'd like.

Mr. Peter Shurman: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Mr. Miller.

Mr. Norm Miller: Thank you for your presentation. My riding is Parry Sound–Muskoka. I was contacted by the Muskoka home builders back when the mandatory WSIB bill, Bill 119, came into effect. They weren't too happy about that. Have you looked at that bill to see—do you have opinions about it?

Mr. Chuck McShane: Yes. We spent, actually, quite a bit of time at the Ontario level looking into Bill 119. It was something else that we could have brought up but we thought these other items, with the time constraints, were more important at this time.

There is a lot of concern over Bill 119, that it will add overhead costs to the corporations, which will drive, once again, more underground economy. We, being legitimate business owners and businessmen, pay our taxes and we pay our WSIB, and we pay whatever levies are put in front of us. By adding more levies with, of course, the HST, the WSIB for owners and principals, as well as a new thing that's on the table now, which is inclusionary zoning, it is basically going to drive so many renovations underground.

In our industry, the builders, especially when it comes to a new house, actually make a better percentage by doing upgrades on the houses. Now, when we have a $400,000 mark, if somebody buys a house for $375,000, they're not going to do any extras to the house. The house is going to be sold for $375,000. They're going to finish their basement—cash money to a contractor who is not legitimate and who is not paying taxes. Therefore, it's a lose situation for legitimate businesses.

With the amount of layoffs that are out there, everybody and his brother is doing drywall, siding, panelling—everything.

The Vice-Chair (Mrs. Laura Albanese): Ten seconds left.

Mr. Norm Miller: And the HST's going to make it worse in terms of the renovations?

Mr. Chuck McShane: Absolutely. It's going to drive everything underground.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. The time, unfortunately, has expired.

Mr. Chuck McShane: Thank you for your time.

NIAGARA COLLEGE

The Vice-Chair (Mrs. Laura Albanese): We now call on Niagara College to come forward. You will have up to 10 minutes for your presentation; that will be followed by five minutes of questioning. The questioning, this round, will go to the NDP. Please state your name before beginning for the purposes of our Hansard recording. You may begin.

Mr. Sean Kennedy: Good afternoon, everybody. My name is Sean Kennedy. I'm vice-president of student and external relations at Niagara College. It's my pleasure to be here with you this afternoon. I'm pleased to introduce my colleague Teresa Quinlin, who is our vice-president of corporate services.

I'd like to begin with a thank you to government for an investment in the post-secondary education system, in the college system, in Ontario over the past many years. The Reaching Higher plan and other investments that the government has made have made a significant difference in the lives of Ontarians through the college training that has been provided to them and the enhancements that the funding has enabled. We also very much appreciate the infrastructure investments that the government has made. That has truly enabled Niagara College to renew our campuses and learning environments, and it has enabled colleges from across the Ontario system to do the same. Our message today is that we feel it's vitally important that those continued investments in colleges have never been more critical and that colleges are vital to the economic recovery and growth of our communities as we move forward.

I'd like to discuss briefly three components of our vision for higher education and the college system as we move forward. First of all is the labour market challenge that's faced by Ontario employers as we look ahead. Second is the vision for higher education and the college system that has been put forth by Colleges Ontario. Third are the strategic investments that we feel are required to enable the college system in Ontario to continue to meet the rising demands from parents, from students and from employers.

There's a new report that has just been released by Dr. Rick Miner. He's the former president of Seneca College. It's entitled People Without Jobs and Jobs Without People. That's the labour market paradox in many ways that we now find ourselves in. Despite the unemployment rates that we currently see in this province and across the country and a tough economy, the fact of the matter is that, moving forward, there will be hundreds of thousands of unfilled positions that our employers and our economy will not be able to fill that will threaten to stall out the economy if we're unable to train tomorrow's workforce today.

An aging population and an emerging knowledge economy threaten Ontario's prosperity. The projected shortfall of workers is that as many as 1.8 million positions will go unfilled by the year 2030, depending on population growth.

In addition, we know that 80% of our workforce will require post-secondary credentials as we move forward. If we do not act now to increase the proportion of skilled labour in our economy, a large number of our employers will not be able to compete internationally.

Immigration will assist with meeting some of our labour shortages moving forward but will not fix the problem. We need more underrepresented groups in the labour force, and that begins with getting more underrepresented groups into post-secondary education so that they can participate in the labour force of tomorrow.

We know that a college education is the best route out of poverty and that more underrepresented groups turn to a college to earn their post-secondary credentials than to any other post-secondary environment. Colleges Ontario has a bold vision to meet these labour market and labour force challenges moving forward. The province has an opportunity to implement meaningful and transformational change that will serve to strengthen the economy and achieve sustained growth.

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Ontario colleges' vision for higher education will strengthen Ontario's competitive advantage in four ways.

First, it will increase mobility through a robust credit transfer system. We urge you to consider seed funding and incentive funding to encourage the development of that robust credit transfer system. I think we all know people, parents and students, who have or we have ourselves experienced challenges in moving seamlessly from the college system to the university system or between higher education institutions within the province. Frankly, Ontario lags behind other jurisdictions in this regard and we feel it is very important that we begin to address this.

Second, it will improve access to post-secondary education by increasing participation and attainment rates of Ontario's population.

Third, improving retention rates—and we encourage continued investments in programs that target underrepresented groups so that they not only enrol in our post-secondary institutions but they're able to succeed and graduate. Programs that target first-generation learners, aboriginal students and students with disabilities all have a huge impact in terms of the ability of those groups to access both post-secondary and the labour force.

Fourth, Colleges Ontario has a very compelling vision about better aligning our programs with the needs of the transforming economy. I want to talk a little bit about that right now.

Colleges in Ontario are all about building tomorrow's workforce today. During these tough economic times, it is critical that government remain focused on investing in education and skills of people as the long-term solution to the many challenges that we face. College graduates are in great demand because colleges can train people in the practical skills they need for the jobs of the new economy, such as—and these are examples that Niagara College is looking at regionally but also align with the needs and the future economic growth areas for the

province—renewable resources. As you all know, Samsung has recently announced a huge deal to develop clean energy in the province of Ontario. It's going to be college graduates who help to hook up those wind towers to the electrical grid, who help to install them, who help to fix them.

Other areas that we're focused on and that meet the economic growth sectors in Ontario: interactive media, health and wellness, hospitality and tourism, and advanced manufacturing and technologies. In short, colleges are the key to a transitioning and transforming economy and to helping to meet tomorrow's labour force shortages.

The past few years have seen unprecedented growth for college programs. At Niagara College, we have seen an over 20% increase in enrolments and yet only a 10% increase in operating funds. That gap is what we are concerned about and are hoping you'll be able to address in the budget as we move forward.

The numbers for Niagara College reflect the same numbers province-wide. There's been a huge increase in enrolments across the Ontario college system, but funding has not kept pace with the increased enrolment. At a time when colleges are most needed to train people, colleges will not be able to meet the needs of the new economy unless there's appropriate funding put in place to recognize the growth in enrolments and in demands placed upon the college system. Colleges Ontario is requesting $163 million in additional operating grants in the coming budget to address enrolment pressures and provide quality programs. This enables the colleges to keep pace. This isn't an increase on a per-student basis; this would be an investment required to keep pace on a per-weighted-funding-unit level with what we've been able to achieve and what we've been successful with over the past few years.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds left.

Mr. Sean Kennedy: I'm just going to skip to the very last slide, but I just skipped past a bar graph that showed the difference in per-head and per-weighted-funding-unit enrolments.

I guess I just want to close by saying again that we urge government to invest additional dollars to ensure that Ontario colleges can continue to meet the rapidly rising expectations of students, parents and employers. We know it's going to be a tough budget in these times, but we ask you to make that choice so that we can continue to train laid-off workers, high school graduates and, as is often the case, university graduates to receive the industry-focused training to succeed in the jobs of tomorrow.

The Vice-Chair (Ms. Laura Albanese): Thank you very much. Mr. Prue?

Mr. Michael Prue: Thank you very much. What is the percentage of college graduates who get a job in their field within one year of graduation?

Mr. Sean Kennedy: We're very proud of that record. It's over 90%. Through our key performance indicators, we measure that system-wide. And even in today's economy, that has been the number up until this year. We expect that it will drop slightly, but even in today's economy we expect it to be close to that 90% of all college graduates receiving employment within six months to a year of graduation.

Mr. Michael Prue: So obviously, this is money that is enormously well spent in a knowledge-based economy. Why have you had such difficulty getting funding? I've been on the finance committee now for all of the last six years in this government. Every year colleges come and look for money and every year they don't seem to get it.

Mr. Sean Kennedy: First of all, I do want to say, through the Reaching Higher plan, I think those additional investments were made, but that has come to an end. So at the same time that additional funding has come to an end, we've had unprecedented enrolment growth, and it's that gap now that we're addressing and we're hoping will be addressed in this coming budget.

Mr. Michael Prue: One of the key areas or key groups of people who I think would benefit most would be First Nations communities, although they often live in isolated areas. What efforts have community colleges made to try to recruit them and give them the skills and abilities that would help get those communities out of dire poverty?

Mr. Sean Kennedy: Every college in Ontario has a fully engaged aboriginal education management circle and has, over the past many years, engaged in a number of initiatives to increase participation and worked with aboriginal communities to increase participation rates in colleges. We're having some success there.

Again, it's one of those areas, as we talked about, where there is a need to continue funding for programs to help underrepresented groups in post-secondary, and aboriginal students would clearly be one. It's critical that we start to engage those students, both in the post-secondary and college systems, so that they can become meaningful participants in the labour force, where we know there are going to be labour force shortages moving down the road.

Mr. Michael Prue: Okay. Does this require any additional level of government funding?

Mr. Sean Kennedy: The $163-million figure would address the gap between where we are currently, under the Reaching Higher plan, and where our new enrolment levels are. At the moment, the per-head, per-student funding, without that additional investment, will mean that we're unable to continue that same level of programming, and it will affect programs, including those aimed at aboriginal students, first-generation learners, retraining workers—because we won't have those same resources to help engage those students and ensure their success in post-secondary.

Mr. Michael Prue: You have used a quote in here. It is: "The highest labour market demand between now and 2015 will be for trades and college graduates." Do you teach any part of the trades or are you referring there to traditional apprenticeships?

Mr. Sean Kennedy: We are looking at skilled training in a number of technical areas. As well, the colleges are involved in working with apprenticeship employers in the apprenticeship system in delivering the classroom portion and the laboratory training portion of the apprenticeship training system.

Mr. Michael Prue: Okay. Thank you very much.

The Vice-Chair (Ms. Laura Albanese): Thank you for your presentation and for appearing before the committee.

Mr. Sean Kennedy: Thank you.

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BROCK UNIVERSITY STUDENTS' UNION

The Vice-Chair (Ms. Laura Albanese): We now call on the Brock University Students' Union to come forward. Good afternoon. You will have up to 10 minutes for your presentation. That will be followed by five minutes of questioning from the government side. Please state your name before you begin for the purposes of our Hansard recording.

Mr. Rob Lanteigne: Thank you. My name is Rob Lanteigne. I'm the vice-president, university affairs, at the Brock University Students' Union. That is an elected student position. The Brock University Students' Union, or BUSU for short, represents nearly 16,000 undergraduate students at Brock University on campuses both in St. Catharines and in Hamilton.

Today's presentation will focus on two main themes: the reshuffling of some student financial aid that already exists within the system, and some capital funding for the Brock School of Fine and Performing Arts in downtown St. Catharines.

Recognizing the economic time, the asks surrounding financial aid are all about shuffling existing money that is in the system into uses that will better accomplish the provincial goals of access, affordability and persistence.

The first of these is by eliminating textbook and tuition tax credits. These tax credits are actually one of the most inefficient means of student financial aid in Ontario, as they don't support those who need it the most when they need it the most. I'll provide three examples of this.

About 60% of these tax credits go to families with incomes above the national median—clearly not the students who are struggling to finance their education. They are either transferring it to their parents or it's going to high-income families already. Secondly, most students don't actually make enough to pay taxes when they're in school. They receive the benefit of these maybe one to three years after school is finished, when they are already in earning jobs, and not at the time when they are struggling to finance their education. The third is that for students who actually do earn enough during the course of their year to pay taxes, tax credits come at the wrong time of year. They come in March or in April, at the end of the year, rather than in September, at the start of the year, when they need to finance their tuition and finance their textbooks.

The total amount spent on tuition and textbook tax credits every year by the province is about $300 million, and we feel this can be reallocated to a number of other priority areas.

The first of these is the maintenance of the Ontario student opportunities grant debt cap. Every student who is receiving more than $7,000 a year or $3,500 per academic semester in OSAP receives the amount above that in terms of a grant. This is a program harmonized into the OSAP loan process. Capping debt is the number one way to maintain access to education and to keep it affordable in our province. Ontario was the leader in Canada in establishing a debt cap such as this.

We have stats that show that debt levels over $10,000 per year actually lead our students to only have a 33% chance of completion of their degree. It also costs four times more for our universities to attract a new student than to retain an existing one. The reason we're asking to maintain this cap at $7,000 rather than decreasing it to maybe $6,000 or $5,000 is because we understand the increased enrolment pressures that will come to the province. The estimated number for this alone, keeping it at $7,000, is between $10 million and $20 million. However, the ministry has provided us a figure in combination with ask number two, which I'll get to right now.

This second one is to increase the OSAP maximum to $175 per week. Currently, the OSAP maximum is sitting at $140 per week, and this has been frozen for the past four years. Over this time, it has lost 7.1% to inflation and tuition has risen at 5% per year, for a cumulative 20% increase in tuition. OSAP also calculates a need at far greater than the current cap of $11,900 per year, and there is a large unmet need that OSAP simply cannot meet for our students. The Rae review in 2005 recommended that OSAP maximums be increased to $175 a week—this would represent a 25% increase over current existing funding—and to tie this to CPI so that year over year we don't have to keep coming back and asking for increases to the maximum OSAP funding. The Ministry of Training, Colleges and Universities has estimated that to increase this cap to $175 a week, as well as to keep the OSOG cap at $7,000, would cost $50 million next year.

The next piece for redirection would be the grace period after which a loan repayment begins. Currently, students have six months after graduation to begin repaying their loans; however, interest is being charged during this time. The Liberal Party in their previous election platform promised to extend this grace period to a full year, and we would like to see this full-year grace period be made truly interest-free. This would allow students time to move cities, settle with their families and make major purchases such as cars and homes. To make a true interest-free grace period would cost the government about $30 million a year, not including any of the savings they would see on reduced default rates and reduced interest relief provisions.

Lastly, we're looking for a personal savings exemption. OSAP currently does not allow any personal savings for illnesses, emergencies or bereavement, and there's nothing students can do if these situations arise during their studies. This hurts our mature and second-entry students the most, as there is no exemption for students, and dependants that they have to take care of as well.

The second thing hurting these mature students is that there's no exemption for personal dwellings. These mature students are actually expected to sell their homes or to remortgage their homes in order to afford education. We're asking for the beginnings of an exemption program that would average approximately $500 per student in the system but will be weighted to circumstances that include the number of dependants a student has and the age that they are. We estimate that this ask would cost about $120 million a year.

I know I've just given you about $200 million in new asks, but keep in mind the $300 million in tax credits, that we believe, could be redistributed in other ways. There are a number of other suggestions that we've submitted to the Ministry of Training, Colleges and Universities that would more than eat up the remaining $100 million, but they are too numerous to mention in a presentation as short as this. They would include such things as in-study earnings, parental contribution expectations, summer earnings estimates, and regular grants. But the four ideas that I've just presented to you are the highest priorities for students across this province.

The second topic I'd like to move on to is the Brock downtown School of Fine and Performing Arts. This is a collaborative project with the Niagara Centre for the Arts, a city-funded project in downtown St. Catharines. This project will be the cornerstone to the St. Catharines downtown revitalization. It is a $101-million project when fully funded. Already it is 75% funded through various sources. This project will include nine theatres, including specific theatres for concerts, dance, film and recitals, teaching theatres and other rehearsal space.

There are operating agreements between Brock University and the city of St. Catharines with respect to staff and space in this venue to most efficiently use what we've got available. The construction alone for this project will bring $178 million in economic impact and bring 100,000 more people to downtown St. Catharines every single year, in addition to the 500 staff and students daily.

What we're seeking is $26.1 million for this project, and after direct provincial taxes on the cost of construction are taken out, that will be a net $12.4-million contribution by the province. Brock is financing 40% of this through donors and private contributions, and we're asking for the province to kick in the remaining 60% of this project.

The half of the building that's the Niagara Centre for the Arts is already fully funded; however, the federal funding for that portion of the project comes through Build Canada, and Build Canada has very strict timelines that put that project in severe jeopardy unless Brock can get its half of the money from the provincial government in the upcoming budget.

I can present a fairly strong case why I think this should be one of the biggest funding priorities for capital infrastructure this year. In 2008, Brock received some money from the ministry as part of its regular capital cycle, and it used this money for a biosciences building, which is currently under construction on the Brock campus. At the end of that year, the ministry then asked each university and each college in the province for their 10-year capital priorities. Brock identified this new school, the centre for the performing arts, as their number one priority. The 2009 federal budget then contained $2 billion for campus infrastructure across the country, and at Brock this federal money was used to fund the second half of the biosciences building. Every university and college across the province received some of this money. Brock was one of only six institutions that did not receive any provincial money because, as you may recall, the federal stipulations were that they would fund up to half of a project in the province; private sources were expected to contribute the rest. So last year Brock was one of only six schools that received nothing from the province.

There are indications that this provincial infrastructure program, this 10-year program that we were asked to submit those priorities for, will now be slowed down, as it had to be accelerated to match the federal contributions. But if we can't build this project very shortly, the municipal component of the project then falls apart, along with all of the space- and staff-sharing agreements that come along with it. There would be direct competition between two different venues if the city were to decide to go ahead without Brock anyway, as Brock would retain its existing centre for the arts. The Niagara Centre for the Arts would be built downtown, and the same audience, the same performances and the same patrons would be asked to compete between both facilities.

1440

The Vice-Chair (Mrs. Laura Albanese): Fifteen seconds.

Mr. Rob Lanteigne: To sum up, this money is vital to keep the entire project from falling apart, and this project is much more than just funding a school. It's also investing in the arts and investing in a downtown core that badly needs revitalization. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I would now turn it over to the government side. Mr. Arthurs.

Mr. Wayne Arthurs: I think both myself and Mr. Craitor, at least, have questions. I'm not sure if other members, in the limited time that we have—I'm looking to my right just to be sure, in case there's an interest there as well.

Thank you for the presentation. It was obviously well thought out and well documented. I could probably ask you specific questions about it; I'm going to avoid doing

that. I'm going to ask you an entirely different question, and if you can't respond to it because your student union hasn't discussed it in some fashion or doesn't have a position on it as such, even if you have a personal thought on it, that would be helpful.

One of the issues that keeps being brought forward to me is the issue of transferability of credits both between colleges and universities—and it only struck me because the colleges were here earlier—and between universities. It's more of a policy issue, but it has a significant potential financial impact on students who may be transferring between universities—complete programs, in some cases—or transferring between the institutions of universities and colleges. It has implications for the fiscal capacities of the universities and colleges to do their work, i.e. duplicating the same work to get a student presumably caught up or to fulfill their needs.

Has your union discussed the issue of transferability of credits and the implications of that, and if so, can you comment on it?

Mr. Rob Lanteigne: At a student union level, it hasn't been discussed. At a provincial level, discussions are beginning to take place. The issue of transferability for us comes in two main issues, and that's cost and quality. If transferability were to be something that was fully in place and whatever mechanisms were to be worked out for it, we would need to make sure that the quality of a transfer credit would be the exact same as an education that someone would get in the university system, so if they were getting their initial credits in the college system, transferring to university, but also vice versa, making sure that the quality standards were up to snuff.

The second piece of that would be in terms of affordability, because the college system has a lower price tag as it is right now, a lower price tag for tuition, so it could potentially be a cheaper option for students to begin some of their degree at the college system and transfer to a university. But that may take away from much of the quality aspect that we're very focused on and very concerned about.

As I think the presentation highlights, the affordability aspects, the student financial aid in Ontario, do need some overhauls. If we were to see full transferability, we would need to make sure that the student assistance portions of what we do in terms of full-time and part-time students' studies, transferring between institutions, and a lot of the student support mechanisms that universities have—centres for teaching and learning, centres for students with disabilities and many other support mechanisms—are also fully transferable to make sure that students are taken care of as they're making their switch.

Mr. Wayne Arthurs: Thank you. Certainly the issue of quality is one that I fully concur with, that basic principle and certainly the whole discussion around transferability. I hope it's one that garners some legs and some additional discussion. I think it's a worthy discussion we should be having.

The Vice-Chair (Mrs. Laura Albanese): Less than two minutes left.

Mr. Kim Craitor: It's always nice to see you, Rob. You really timed it quite well. We are blessed in this area to have two of the greatest educational institutions in Ontario: Brock University and Niagara College. You had a chance to hear Niagara College, which says that they need more money.

Just to share with you, because you quoted figures: We started meeting at 9 o'clock this morning, and we're now close to quarter to three. I think we're into about $300 million to $400 million in requests for funding from the government for different things, and this is only the first day of our meetings. They're going right across Ontario, so that gives you an idea of the amount that's going to be requested by the time we finish all these budget hearings, which are great things to have. I just wanted to put that on the record.

I know we've talked, and there are two things that I do agree with. That's the interest-free grace period—we've talked about that; I think that makes sense—and the personal exemption as well.

In respect to the arts building in St. Catharines, I know my colleague Jim Bradley is in support of that, and I am as well. I wanted to put it on the record that we had been expressing those views at Queen's Park on behalf of the students at Brock University. That's not really a question, but I just wanted to share it with you, and if you want to respond, you're welcome to.

Mr. Rob Lanteigne: I just want to say that hopefully I've tailored the asks that we have by asking for new money in conjunction with the reshuffling of some of the stuff that's already out there, which isn't used in the most efficient manner right now in terms of tax credits.

Mr. Kim Craitor: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. The time was concluding. It had almost expired. Thank you for your presentation.

ONTARIO COMMUNITY SUPPORT ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We'll call now on the Ontario Community Support Association to come forward. Good afternoon. You will have up to 10 minutes for your presentation. That will be followed by up to five minutes of questioning, and this round will be going to the official opposition. Please state your name for the purposes of Hansard.

Mr. Patrick O'Neill: Good afternoon. My name is Pat O'Neill. I'm the chief executive officer of Niagara Ina Grafton Gage Village in St. Catharines. Thank you for the opportunity to appear before the committee.

I'm going to try and give you a perspective from our organization and a not-for-profit home and the community health sector on some of the deliberations and tough decisions you're going to have to make with the upcoming budget.

I have to show my bias, because I'm a Niagara College grad and I liked their presentation. My son has OSAP loans—and I liked his presentation because everybody has got their hand out.

I'm going to talk to you mostly about seniors and community support. For those of you not familiar with Ina Grafton, let me give you a little bit of background. We are a seniors' community village in St. Catharines. We sit on 15 acres of property in the north end of St. Catharines. We're a charitable, not-for-profit corporation. We provide multi-level seniors' care. Our residents live in a combination of housing, bungalows, apartments, market-rent-geared-to-income and long-term care, and we've been doing that for over 50 years.

The organization we belong to is the Ontario Community Support Association, so I'm wearing two hats today—my OCSA board hat and my CEO hat. We employ 100 staff, and we have 250 volunteers to serve our 400 residents. I recognize that this particular year is a very challenging fiscal situation for the government. Likewise, as an organization trying to make ends meet to provide care to our clients, we want to ensure that we prioritize and manage the public purse wisely so that the money is spent where it needs to be spent, which is on client care.

But this reality is inseparable from the demographic changes that are occurring in our community and the province. The population is aging while, at the same time, we're living longer, chronic diseases are becoming more prevalent and smaller families are often scattered across the country. This makes caregiving more challenging, as these people do not have families and it falls on the community care sector to fill that void.

People need care. They want to be in their homes. They do not want to be in hospitals or institutions. The health outcomes and overall quality of life improve when comprehensive home and community support services are available to them. For example, at Ina Grafton, I have three senior citizens all over 100 years of age. They live independently in an apartment, or a bungalow, with some support services. Years ago—just even a few years ago—they would have been placed in a nursing home. We can look after somebody in their own home for about $25 a day. You do the math, because it costs hundreds a day for a nursing home and many hundreds, if not thousands, if they wind up in acute care. We also have a large segment of our population who are in their 80s and 90s who are also independent with a little bit of home assistance.

What we're suggesting is that we need, at a minimum, inflationary funding to continue to provide quality care. Community support and community care is a more cost-effective means of health delivery than institutional care. If you invest in home and community care, you free up hospital beds, you unclog emergency waiting rooms, and I can tell you that at our organization we're able to intervene and assist clients long before they call 911 and wind up in the emergency room. We provide 24-7 personal support services so the clients feel secure in their own home. We recognize the residents' rights and abilities to control their own lives, make decisions and choices, assume some responsibility for their actions and, most importantly, live with dignity and equality within our community.

1450

Statistics show that community care decreases long-term-care home placements and long-stay hospitalizations. As I said before, both of these are expensive options. It's cheaper to keep them at home. The position of my association is that we would like the funding for community-based health services for the coming year to be preserved and that some strategic investments be considered.

One such strategic investment is to support the implementation of the common assessment instrument in the community support sector. This tool, if implemented in a speedy fashion, would do much to ensure that services are targeted at those who will benefit the most. The data that this tool generates will be extremely valuable for decision-making at the service delivery, funding and policy levels. We encourage you to invest sufficient resources so that community support workers can implement this common assessment instrument.

We're also asking that you maintain and enhance funding levels for home and community support services and keep them consistent with services that are effective and affordable in terms of delivering health care. We urge you to maintain funding to the local health integration networks and support new funding initiatives to help people continue to live at home and age in place.

We do have some concerns about the HST, but I will only say that while we recognize that steps have been taken to ensure that the impact on charitables will be fiscally neutral, we're asking that you keep an eye on that situation as it could cause us some financial implications if those guarantees aren't in place.

Another concern that we have is the serious shortage of home and community health workers in certain areas of the province. The difficulty with recruiting or training workers is that there are obvious wage disparities, depending on whether you work for a community agency that has a limited budget, and these people only get, like, $12 an hour, or if you're in a hospital or an institution like a long-term-care facility, where they get $18 an hour and some have pensions and some don't have pensions. So there's a huge disparity there that I would ask that you look at.

We believe that personal support workers are extremely important to our sector; they provide 70% to 80% of the care in the community. We have had some concerns recently about the quality of training being provided to these workers. Public confidence and the confidence of employers has been undermined by recent media reports of abuse situations and inadequate training. We urge you to provide resources for the monitoring of the training organizations to ensure the quality of the training.

In closing, I want to encourage all MPPs to think strategically and invest in home and community services

now. That will save the government money in the future and, most importantly, it will improve the health of Ontarians. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation this afternoon. I will now turn it to Mr. Miller.

Mr. Norm Miller: Thank you for your presentation. I think you've given some good advice in terms of thinking strategically and prioritizing. It's certainly something I think the government has to do, especially in light of their $25-billion deficit. We certainly have heard from some other groups that talked about prioritizing.

I should also say that your village looks quite impressive. I wish we had something like that in my own riding of Parry Sound–Muskoka.

Mr. Patrick O'Neill: Thank you.

Mr. Norm Miller: I can't say as we have anything. We probably don't have the numbers for it, but it does look very impressive.

Have you got any other advice for government in terms of prioritizing the scarce dollars that are out there?

Mr. Patrick O'Neill: Everybody thinks they're important. Acute care is important, long-term care is important, community care is important, but it's like any illness or any chronic condition: If you invest money at the preventive end, you never get to the chronic end. So what I'm saying is, community care—we try to prevent the clients we look after from ever entering the acute care system unless it's life-threatening. It's cost avoidance, but unfortunately, we can't prove it.

There are going to be more and more people in the community; the baby boomers are coming up fast. The age segment from 50 to 70 is just going to flood the health care system, so you're going to have to find a way to keep the money out there in the community so that they stay in their own homes. That's my biggest priority.

Mr. Norm Miller: You stated that you had HST concerns. Is it going to be an extra cost for your sector?

Mr. Patrick O'Neill: No one has told us exactly how it's going to work, but we don't pay provincial sales tax, and we're GST—half of it's exempt; we get it back. So the simple math right now is, without some of those guarantees in place, we could increase our costs by the full cost of HST. Again, we're dealing with seniors—a vulnerable population—we're on fixed budgets and it's not something that we had planned for in our budgeting. We'd like to continue with the exempt status on most of those items that we buy: the medication, adult briefs, medical supplies. We've only been told verbally that a lot of those things will be exempt but we haven't seen it yet. We're trying to do our budget planning.

Mr. Norm Miller: Mr. Shurman has a question as well.

Mr. Peter Shurman: Mr. O'Neill, I'm 62 years old and you're scaring me.

Mr. Patrick O'Neill: I'm right behind you. I'm 57 and I'm scared myself.

Mr. Peter Shurman: I'm concerned even to a greater extent than you. I take the veracity of what you say about investing in the future because of the aging population legitimately and hence my little attempt at humour. In my own constituency of Thornhill just north of Toronto, where we have a significant senior population, the attempt put forward, notably by this government, trying to provide more home care, is coming back to bite because I'm getting an increasing level of complaints from people who are saying that home care, rather than being increased, is being reduced. Does that parallel your experience?

Mr. Patrick O'Neill: I need to give you a little bit of background on home care. Most home care in the province is delivered through community care access centres, so they're the access point. In the agency that I run, we have a fixed pot of money that we get through the LHIN. We administer it ourselves, so we're able to do our own assessments and prioritize. It's because we're on a campus-like setting that we can do that. If the community care access centre and the health integration network would adopt some of the business practices that we have, they could get out there and deliver the service faster. What you're seeing is the difference between an agency that just hires VON or St. Elizabeth's and says, "Here's 20 visits; go make 20 visits"—we don't do that. We know our clients; they don't know their clients.

Mr. Peter Shurman: I hear what you're saying and I think it probably provides a greater degree of protection for your clients, but do you feel that overall the stewardship of this file—and I'm talking about seniors particularly being kept out of chronic care or nursing home institutions—is being handled well at this point?

Mr. Patrick O'Neill: In the last three years, I would say yes. We've seen a lot more money available in the community but everybody still thinks that hospitals are sexy. Sorry, my bias is showing again.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission.

WINDFALL

The Vice-Chair (Mrs. Laura Albanese): We will now call on Windfall to come forward. Good afternoon. You have up to 10 minutes for your presentation. There could be up to five minutes of questioning. Please identify yourself for the purposes of our recording Hansard before you begin.

Ms. Helen Harakas: My name is Helen Harakas, with an "H," and I'm the executive director of Windfall. Thank you so much for this opportunity to tell you about the work of Windfall and to show you how the province can spend only half a million dollars but save over $14 million by funding our ingenious programs.

With record deficits, there has never been a more critical time for the province to spend wisely. Windfall's programs offer you an incredibly smart solution to priority areas such as poverty, jobs, the environment and engaging the private sector in assisting with social services.

What is Windfall? A registered charity since 1992, Windfall receives donations of brand-new clothing and other basic-needs items from private corporations and distributes them to more than 64,000 people—one third of whom are children—living in poverty. Distribution is done through partnerships with 100 other social service agencies that come into our warehouse each month to pick up the items and take them back to their clients. Windfall provides an efficient and cost-effective way for businesses to support government-funded social service agencies and the needy individuals they serve. The fact that the donated items are new helps to build self-esteem and a sense of dignity in people who are struggling to improve their lives.

1500

Partner agencies: Partner agencies include shelters for abused women and children, shelters for the homeless and those at risk of becoming homeless, programs for people with mental illness and health issues, programs for people with substance abuse problems, halfway houses, centres for immigrants and refugees, community centres in high-risk neighbourhoods, street youth programs and shelters, parent-child centres and job training programs.

The items we distribute: Examples of items we distribute include work clothing, casual clothing, underwear, socks, shoes, coats, deodorant, shampoo, other toiletries, linens, kitchen utensils, books, toys, school backpacks, school supplies, snowsuits, and baby care items. In other words, Windfall provides all the basic necessities, other than food and shelter, that people require to rebuild their lives.

Our largest donors: Windfall makes it easy and cost-effective for private industry to donate its surplus items. With one phone call, donors can quickly, easily and free of charge donate tractor-trailers full of brand-new items that they would otherwise sell at a loss or dump into landfills. With a solid reputation for integrity and subsequent word-of-mouth advertising, Windfall currently processes over 350,000 clothing items and millions of other basic-needs items each year. Donor companies include Winners, Gap, IKEA, H&M, Johnson & Johnson, Haggar, Levi's, Tabi, Banana Republic, Old Navy and Ash City.

On-site job training program: Alongside the distribution of $14 million worth of items, we also support people who need employment training through our employment basics program. We offer meaningful work placements for people with intellectual challenges in partnership with Community Living. This group of special individuals opens up the boxes, counts the items, removes the labels, sorts and repacks the items for distribution. Last year we initiated year-long placements for clients on Ontario Works, giving them valuable Canadian work experience in a variety of areas, including administration, warehouse management, retail and fundraising. We currently have a total of 15 individuals placed on-site with us.

A unique, ingenious and award-winning social service model: Brilliant in its simplicity, Windfall received the Vital Ideas Award in 2007 from the Toronto Community Foundation. Other awards include the Order of Canada and Flare magazine's Lifetime Achievement Award for Windfall's co-founder, Joan Clayton.

Windfall is the only organization of its type in the entire country. We're the only charity dealing exclusively with brand-new items. Other than wedding gowns, Windfall does not sell any donation, and that makes us a favoured donation point for many highly recognizable companies. They cannot have their items sold at charity discount stores. We often receive current items that are actually selling for retail price in the stores.

Windfall does not provide a band-aid solution to poverty. Clients receiving the items are registered participants in social service programs. We do not distribute directly to individuals. The clients are already engaged in residential or day programs and are working hard to improve their lives, get off government assistance and become productive and contributing members of society. The huge dose of dignity and the ease of financial burden clients get from our donations also give them a sense of pride, hope, belonging and the drive to continue to work towards their goals.

Who are the clients? A large number of our clients are women and children escaping abuse. When they enter a shelter, they're usually entering with just the clothes on their backs. Having run away for their safety, they leave behind clothing, personal hygiene items, books, toys, backpacks and school supplies. We provide basic necessities that are comforting to those going through a trauma and include sleepwear, slippers, blankets, toys, books, school backpacks, school supplies and toiletries.

Once clients are ready to leave the shelter, most go into subsidized housing. They live in poverty, eating out of tin cans because they have no kitchen supplies, and sleeping on bare mattresses or floors because they have no bedding. Windfall's home basics program provides items such as pots, pans, utensils, blankets, sheets, towels and other necessary housewares.

Other clients in similar situations include people who are coming out of residential programs such as psychiatric care facilities, youth shelters, homeless shelters, halfway houses, aboriginal services, and centres for recent immigrants and refugees. No matter what clients are dealing with, the common thread they share is living in extreme poverty.

Child poverty in Toronto is at an all-time high. Windfall serves over 21,000 children and youth who are living in dire poverty. Other partner agencies report that the children using their programs do not have adequate clothing and footwear, school supplies, books or toys. In the winter we hear that children in the programs come in with frostbite because they do not have snowsuits, boots, hats and mittens. Without proper clothing and school supplies, poor children are further ostracized, adding to the negative short- and long-term effects of poverty on their intellectual, social, emotional and physical development. Without proper clothing and school supplies, they cannot participate fully in their schools' programs. The

true cost of the negative impact of child poverty cannot even be measured.

Windfall's kids' basics program works to ensure that no child goes without the basic necessities. Sadly, we currently meet only a small portion of the need. The expansion of this program is a priority.

The importance of personal image: A root cause of poverty is the lack of a job. Windfall's employment basics program provides work-related clothing such as suits and workboots to clients who are in job training programs and ready to go to interviews. In 2003, Toronto Community and Neighbourhood Services conducted a study of single mothers on Ontario Works in which barriers to employment were examined. The study's most relevant finding was that once there were adequate jobs available in an economy, the main reason clients could not get or keep a job was the lack of appropriate clothing or personal care items. Moreover, the importance of first impressions in a job interview has been well documented. Employers size up applicants within the first few minutes of meeting them. It's critical for clients on government assistance who are seeking jobs to present their best image at interviews. The importance of maintaining a positive appearance and personal hygiene once a client has started a new job is obvious. The long-term benefits of increased confidence, dignity, self-esteem and steady employment are immeasurable.

Windfall puts over $28 into the social service system for every dollar spent to operate. Windfall's annual operating budget is just over $500,000, yet we put over $14 million worth of brand new items into the social service system. A single recent donation of feminine hygiene products from Johnson and Johnson was worth $500,000. These vital, non-negotiable items went to women's shelters and programs, saving them a total of $500,000. With only this one donation, Windfall paid for itself. Another donation of two 53-foot tractor-trailers of comforters and pillows from IKEA was worth several hundred thousand dollars. The examples of cost savings to provincially funded agencies are endless.

As a charity, Windfall receives a lot of operating support from several sources. Our employment basics program provides us with over $200,000 worth of labour. Remco Group, a transport company, donates $50,000 worth of trucking annually. Our more than 70 dedicated volunteers donate more than 6,000 hours of time each year. Liability insurance, printing, graphic design, public relations, fundraising, rent, building improvements and a host of other services are either donated or subsidized. The money we spend to operate constitutes a bare-bones budget that cannot be cut further. Our incredible return on investment of 1 to 28 is possible because we're supported by a multitude of dedicated companies and individuals.

The environmental impact: Because Windfall makes it easy and cheap for companies to donate their surplus items, we help keep over 100 tons of perfectly usable product out of landfill sites. There have been recent reports out of New York City of large chain stores, including Walmart, slashing and dumping new, unsold items. Windfall has received several calls from media outlets regarding this issue, and we expect it to remain controversial for some time to come. The slashing and dumping issue has brought even more attention to the fact that many retailers and distributors dump their surplus.

Due to consumer demand, more and more companies are adopting environmental and charitable policies. Thus, the number of donated items to Windfall continues to grow, making our services more critical than ever.

The Vice-Chair (Mrs. Laura Albanese): One minute and a half.

Ms. Helen Harakas: The need for expansion: In October 2009, Windfall hosted a reception for MPPs at Queen's Park. The most common remark we heard from those who represent ridings outside the greater Toronto area was, "We need a Windfall in my city." Windfall receives daily calls from agencies outside our current catchment area and from many individuals outside the area who need our help, from Newfoundland to British Columbia. Our long-term goal is to establish Windfall programs throughout the province and, later, the country. Wherever there are stores, there are surplus items.

The calls for expansion are incessant and cannot take place until our flagship location in Toronto is in a stable financial position. Each year, our staff team of five and our volunteers must raise our entire budget, while also putting out $14 million worth of items into the system. Without Windfall, social service agencies would be forced to purchase these items that the clients require, literally wasting money.

Over the past six years, Windfall has grown from three staff and a budget of $250,000 to five staff and a budget of $500,000. While our staffing and expenses have grown by 100%, our output has gone from $4 million in 2004 to $14 million last year. That translates into an increase of more than 350%. The need to continue to expand has never been greater, but our fundraising capacities are stretched to the maximum.

We receive no ongoing government funding. With our existence always in question, we cannot undertake any form of expansion. It's very difficult to plan for the future when you don't know if there's going to be one.

The Vice-Chair (Mrs. Laura Albanese): Ten seconds.

Ms. Helen Harakas: Without stable, ongoing, core funding, Windfall's future will always be unstable and in jeopardy. We're urging you to provide funding to this incredibly unique, cost-effective program that saves the province millions of dollars each year. The need for our programs is growing. The surplus items are everywhere. We're seeking $500,000 in annual core program funding from the province of Ontario in order to stabilize our Toronto head office and begin expanding into other communities.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Take a sip of water.

Ms. Helen Harakas: I knew that it was 11 minutes long, and I had to cut it to 10.

The Vice-Chair (Mrs. Laura Albanese): We'll now turn it over to Mr. Prue for questions.

Mr. Michael Prue: Yes, that was incredible. You got so much in there in 10 minutes.

I'm very familiar with this organization, and I encouraged Helen to come here today because this is probably the most cost-effective and wonderful organization you can imagine. I know that several members of the Liberal government, several cabinet ministers, have come in recent weeks to visit you. What were you able to show them?

1510

Ms. Helen Harakas: We've met with both Donna Cansfield and Laurel Broten. They're both extremely excited and they were waiting to hear back about my presentation here today. They are blown over and they absolutely think that everybody should fund us. I don't know if they have any pull.

Mr. Michael Prue: Okay. Now, the 28-to-1 ratio is really quite amazing. What would you do with the extra half a million dollars? You already get $14 million. Could you realistically get $28 million—an additional $14 million, making it up to $28 million worth of new goods and clothing to give away?

Ms. Helen Harakas: The $14 million is actually a report from the end of our 2009 fiscal year, which was at the end of April. Our next fiscal year is in April 2010. We believe we're already at $20 million, so being able to increase the number of items coming in and going out without increasing staff substantially is not that difficult. With the clothing, we cut out the labels, and that takes a long time, as you can imagine—opening the boxes, cutting out the labels and repacking. With shampoos, deodorant, all those other products, it's simply a matter of taking the box and putting it into the bucket for the agencies to come and pick up. We believe we could very easily increase, even double, what we do right now, if we're here.

Mr. Michael Prue: You've given the example in New York where companies just literally slash the clothes and throw them in the dump. Does that happen in Ontario?

Ms. Helen Harakas: The two companies that were specifically accused in the New York City controversy were H&M and Walmart. We're actually being interviewed by Fairchild, the Chinese TV station, on Thursday about the H&M situation, because I'm very happy to say that Windfall has been working with H&M since the minute they came to Toronto. They didn't even have a store open and we were talking with them.

Walmart is another issue. We haven't been able to talk with them yet. We're actually a little bit afraid of going to Walmart because what will happen when we get thousands upon thousands upon thousands of items from them? We're not equipped to handle it right now. How can you set up a situation when you don't know if you're going to be here in six months?

Mr. Michael Prue: Right now, you distribute to agencies in the Toronto area. If the government were to give you half a million dollars, what would be the plans?

Ms. Helen Harakas: With core funding of half a million dollars, our Toronto office would be stabilized, which would take away three quarters of the work that I and a couple of other staff members do, and that would free us up to go into other communities. We understand that expansion is much easier to fund. There are many MPPs that we spoke with in October who said they would help us open up in other areas, probably partnering with existing agencies and not going in there and reinventing the wheel from scratch. So we believe that expansion money is not going to be such a problem and expanding is not going to be as difficult. It's the stabilization of the head office that has been the problem.

Mr. Michael Prue: The money that you are seeking, is this one-time funding or are you looking for $500,000 per year?

Ms. Helen Harakas: We would like annual, ongoing core funding of half a million dollars, but if we ever reach a point where we don't need it, we would tell you.

Mr. Michael Prue: Okay. Now that's a question they may be asking. You haven't needed it till now, why now?

Ms. Helen Harakas: I've been at Windfall for six years. When I started there our budget was $250,000; it's about $500,000 right now. That's about as much as our current staffing component can bring in. We're all working 24 hours a day, seven days a week. We cannot bring in any more and it's really difficult to plan and keep it going without knowing. Historically, we've always just made it by the skin of our teeth, meaning that a miracle has happened, but you can't build a business plan on miracles.

Mr. Michael Prue: Anything else you need to tell us? I've almost run out of questions.

The Vice-Chair (Mrs. Laura Albanese): Twenty seconds left.

Mr. Michael Prue: What about merging with other agencies? Is that a solution, if the government doesn't give you money?

Ms. Helen Harakas: I've spoken with a couple of executive directors of other different agencies. Windfall is a small organization. Merging with another organization would mean that the top management would be gone, which would be me. That's fine. I have many job offers constantly, so it's not a personal thing. I'm very happy to give it up if it would work. However, if I leave, I bring in four times the amount that I'm paid, so we would in fact be behind.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation this afternoon.

MULTIPLE SCLEROSIS SOCIETY OF CANADA, ONTARIO DIVISION

The Vice-Chair (Mrs. Laura Albanese): I now call on the Multiple Sclerosis Society of Canada, Ontario division, to come forward. You will have up to 10 minutes for your presentation. There could be up to five minutes of questioning after that. I would kindly ask you

to identify yourself for the purposes of our Hansard recording, and you may begin.

Mr. Ian Greaves: Thank you. I'm Ian Greaves. I'm a volunteer with the MS Society, and I come here this afternoon representing the Ontario division. We have made a formal submission to this committee, which I've provided for your records.

We're not here really asking for major new investments, which I'm sure you'll be glad to hear. We are looking for some realignment in certain programs that are under way, and we feel that this will be very worthwhile.

The first program: With its commitment to accessibility, Ontario is a leader in this entire country. I'm referring to the AODA, which is recent legislation, which is now in the process of being developed with regulation. We see that there is great potential to transform this province that we know today. From my own experience as a member of the provincial accessibility standards advisory council and also several accessibility committees here in Niagara, I know how important this is to people with disabilities.

The MS Society urges the government to continue to ensure that the implementation of the Ontario accessibility standards remains a priority—we would hate to see any reduction in effort or impetus in this area—and also that compliance to these standards should be monitored and reported on, as is the current plan. We really are asking that this continue on and be funded.

Supportive housing: This is a very important issue to us. Access to supportive housing in Ontario is extremely limited. Wait-lists in many communities are between three and 10 years, and this really is found across the entire province. This is simply too long for individuals facing a housing and care crisis.

In budget 2009, Ontario announced more than $360 million to help create new affordable housing for low-income seniors and persons with disabilities. These funds have helped to improve access to housing, as well as securing many construction jobs. The MS Society supports and applauds these initiatives and encourages continued investment in affordable housing.

These dollars must also create supportive housing, and this is where we're seeing, really, a slight realignment in the housing program. By providing the care and support needed in their own homes, people with disabilities can remain active and engaged in their communities, thus reducing the health crisis and need for emergency care in hospitals. These are wise and necessary investments, and we've heard from a previous speaker this afternoon where if we can endeavour to help people stay in their own homes, this really provides a saving to the entire system. We'd like the affordable housing strategy to give priority to supportive and accessible housing.

Another very important issue to us is age-appropriate long-term care. Even with improvements to supportive housing, some young adults with MS and other disabilities may still require institutional care. Far too many young people end up in nursing homes, homes designed for elderly residents and lacking in services and activities suitable for disabled people.

1520

Almost 20% of patients in Ontario's complex continuing care hospital beds are between 19 and 64 years of age. This is of particular concern to the MS Society because of the early age of onset of MS. A 35-year-old with MS who enters a long-term-care facility designed for the frail and elderly may remain there for 40 years or more. Age-inappropriate living conditions often result in anxiety, depression and long-term mental health issues that increase the already complex health needs of these individuals.

We have situations of the type that I'm describing here just within a few kilometres of where we're sitting right now. We have members of our own local MS chapter who are barely 50 years of age, living in long-term-care facilities, right alongside many residents 80 years and much older.

Through the long-term-care renewal strategy, the Ministry of Health will redevelop 35,000 long-term-care beds—that's 3,500 beds annually over 10 years—to ensure equitable access to quality long-term care. This program is under way.

To provide greater hope and help to the young people with MS, we are suggesting that the province should allocate a portion of this long-term-care renewal strategy to create more age-appropriate spaces for younger people.

Family caregivers: Family caregivers provide an essential part of Ontario's health care system. While caring for spouses, children and parents or extended-family members, these family caregivers are often invisible, and they can be under considerable stress. With rising costs in the health care system, we need the continuing contribution of caregivers from the family.

While some long-term solutions in health care require a great sea change in thinking within our current economic reality, we feel that the government could help out by convening a diverse task force of employers, insurance providers and caregivers to examine and test workplace policies to benefit caregivers, including innovative approaches such as gifts of care, caregiver insurance and provisions under CPP.

The MS Society is committed to partnering on this important initiative and we would like to see some leadership from the Ministry of Health, with your encouragement, that could really get this rolling.

The Vice-Chair (Mrs. Laura Albanese): You have about one minute left for your presentation.

Mr. Ian Greaves: Thank you. I have a final point: the harmonized sales tax.

Our society appreciates measures taken to reduce the impact of the HST on Ontarians, especially those with low incomes. Many of our members with disabilities live on limited incomes and incur major costs from medically necessary goods and services, such as mobility devices, vehicle conversions, physiotherapy, home care and home-care cleaning services.

The costs of these services on their own are often difficult to undertake for people with chronic illness. A further tax will make it even more difficult. We suggest that the province should remove the provincial portion of the HST from all medically necessary devices, goods and services.

Thank you. I'm happy to take some questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your submission. I believe it's the turn of the government side. Mr. Arthurs.

Mr. Wayne Arthurs: I'll just check to my right through the couple of questions that I have in the event that any of my colleagues want a little bit of the time for any questions they may have. If not, we can chat for the four or five minutes that are available to us.

I really have two questions at this point, and they're somewhat generic. One is on the issue of age-appropriate housing. I've had individuals in my office coming in to educate and inform, and we never really get to the discussion: What does it look like? What's the nature of the housing that will be age-appropriate, particularly for those younger people who are looking at longer-term care? This is one of these opportunities to have that on the record here. It's a generic phrase, but it doesn't lend life to the experience of that person who is going to have it over a period of time. That's my first question.

My second question is one that's probably common to us all in the context as legislators as we look at the work that ministries do. What's the experience with the traditional silos that ministries have? Presumably, someone with MS, over time, will deal with housing; they'll deal with health and long-term care potentially; they may deal with community and social services. From your experience or the society's experience, what can be done to help integrate the provision of services to limit the amount of time and energy it takes for someone who is looking for service and not having to deal with multiple ministries? Is there a way that the government can do those things better?

Mr. Ian Greaves: Okay. On your first question on age-appropriate long-term care: possibly the form that that type of housing could take. I think that's really what you're asking me.

Mr. Wayne Arthurs: Form and facility and capacity.

Mr. Ian Greaves: A suggestion there: We're really looking at a form of what we call congregate care, which is often used in the Ministry of Health. This can take many different actual forms in the community. It could be what is technically an apartment building in any city, where an organization such as March of Dimes might have 25 or 30 units where they have on-site personal support workers who can provide assistance at various points during the day. This enables the resident to stay in an apartment building and still have much discretion, leadership and choice in their own future and living conditions, but at the same time they've got really terrific support when they need it—for example, getting into bed; dealing with their own personal care issues during the day; possibly getting supper started; putting things in and getting things out of the oven. If we can deal with specific issues such as these, many people can carry on living very happily in a typical apartment unit, as one example.

Your second question was—

Mr. Wayne Arthurs: Ministries tend to have silos, and the challenges of getting services and/or responses integrated.

The Vice-Chair (Mrs. Laura Albanese): Just about a minute left for the answer.

Mr. Ian Greaves: Yes, absolutely. That's always a challenge. I could suggest that possibly, single access for people with disabilities may well be developed through the Accessibility Directorate, which is part of the Ministry of Community and Social Services. Their staff is certainly well versed in the issues affecting people with disabilities. That might provide one-window access.

1530

Mr. Wayne Arthurs: Some political prioritization of that challenge would be helpful.

Mr. Ian Greaves: Yes, that's right.

Mr. Wayne Arthurs: Thank you so much.

Mr. Ian Greaves: You're welcome.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation and for being here today.

COMMUNITY LIVING ONTARIO

The Vice-Chair (Mrs. Laura Albanese): We now call on Community Living Ontario to come forward. You might have heard this earlier, but you have up to 10 minutes for your presentation. That will be followed with up to five minutes of questioning, and this time they will come from the official opposition. Please state your name for the purposes of our Hansard recording, and you may begin.

Mr. Claude Perreault: My name is Claude Perreault. I'm from Welland, Ontario. I am a board member for Community Living Welland Pelham. I also have a brother who has an intellectual disability. I'm very grateful to be able to present on behalf of Community Living Ontario at this time, so thank you.

Mr. Gordon Kyle: I'm Gordon Kyle. I'm the director of social policy and government relations with Community Living Ontario.

Mr. Claude Perreault: First of all, I thank the committee for the opportunity to present Community Living Ontario's issues and recommendations regarding the 2010 provincial budget.

There are approximately 120,000 people in Ontario who have an intellectual disability. As a group, people who have an intellectual disability experience much higher levels of poverty than do other citizens, and as such are far more vulnerable to the effects of recessionary times, when income levels and availability of social supports are potentially restricted.

Of working-age people who have an intellectual disability and who live alone, 73.2% live below the poverty line. This is compared with 23.3% of Canadians

without disabilities. Overall, working-age people who have an intellectual disability are almost three times more likely than working-age citizens without disabilities to be living in poverty.

For more than 60 years, Community Living organizations have created and provided a wide range of supports and services to assist people who have an intellectual disability to live in their communities. Across the province there are 117 organizations that are members of Community Living Ontario.

We acknowledge that government is currently facing some extraordinary economic challenges as a result of the current worldwide recession. Community Living has always worked in concert with the government to make the most efficient use of public funds in addressing the needs of people in Ontario, and we commit to continuing to do so. Our following recommendations recognize the current economic realities and are aimed at ensuring that people who have an intellectual disability and their families receive the support necessary to weather these difficult times, and that Community Living organizations throughout the province have the tools necessary to respond to the needs of their communities.

Our comments and recommendations will focus on three areas: the effect of funding reductions on the developmental sector; the need to address poverty; and finally, possible areas of investment in the developmental services sector.

Cuts to the sector: Since 2007, the focus of any new funding to the developmental services sector has been aimed at addressing historically low wages paid to workers who provide front-line supports to people. While some progress has been made in increasing wages, the result of this focused investment has been that almost no new funding has been directed at addressing ever-increasing waiting lists for services.

In response to this, late in 2008 the ministry required that funded agencies in the sector take part in a process called the increased community capacity initiative. The aim of this initiative was to implement strategies for creating new supports and services without any new funding being provided. Significant numbers of new services were created for people on waiting lists as a result of this initiative. While there was no new government funding provided, there were real costs to the exercise with respect to reducing the resources needed by the sector to maintain its flexibility and capacity to respond to continuing demands.

The developmental services sector has never been richly funded. Through committed community groups and creative collaboration, the sector has always managed to provide more support to citizens of Ontario than would be indicated by the levels of funding provided.

For a sector that has always been lean with respect to resources, exercises like the increased community capacity initiative do not result in cutting fat but cut right into the muscle of the sector, leaving it weakened.

There have been many reports in the media lately, and elsewhere, speculating that the government may consider cuts to funding in the upcoming provincial budget. Should the government consider that cuts to funding are needed to address current financial pressures, we wish to deliver a simple message. The developmental services sector has already been cut and cannot sustain further funding reductions at this time without significantly reducing supports and services and putting people at risk.

Addressing poverty: We wish to address next the critical supports provided to people with disabilities through the Ontario disability support program income supports. We were pleased with the announcement in December of a plan to review social assistance in Ontario. There is wide acknowledgement that the current disability income and employment support system is in desperate need of repair. We look forward to participating in the review. We will be recommending changes for the short and long term to address rules that aggravate the poverty experienced by most people who have an intellectual disability. A broad strategy is needed to address disincentives to employment, enable ODSP recipients to keep more of what they earn, and to enable asset-building strategies so that people can build their own capacity to escape poverty.

In the meantime, it would be unacceptable to allow benefit rates under this program to further deteriorate. Over the past number of years, the provincial government has ensured that ODSP benefits were adjusted annually to keep pace with the cost of living. In a time of such economic instability, it's more important than ever that the government provide the funds necessary to ensure that the purchasing power of ODSP is not eroded. At a minimum, the 2010 provincial budget should provide new funding to increase payments to recipients by an amount equivalent to the annual cost of living.

New investments: The third and final area that we wish to address is that of new investments to the sector. The government has made it clear that resources are very limited and that expectations for new funding should be tempered accordingly. While we've heard that message, we are obliged to tell you that there are areas in need of funding support that should be addressed in order to avoid harm to citizens who have an intellectual disability. Where there may be an opportunity for providing new funding in the coming period, we recommend the following three priority areas within the developmental service sector:

(1) A growing number of people who have an intellectual disability and their families are not receiving critical supports and services. Waiting lists in the sector continue to grow in communities across Ontario. Over a short period of time, the waiting list for the special services at home program has grown to exceed 5,000 people. This is a dramatic increase given that up to 2008, the waiting list for this program was reviewed and fully eliminated on an annual basis. We estimate as well that there are currently more than 10,000 additional people who are on waiting lists for community supports and services. Among these are numerous families where senior parents continue to play a significant day-to-day role as the primary support

for their son or daughter with a disability. Individuals and families are being put into situations of great risk. It is not possible to begin to address these dire needs without new investments.

(2) In 2008, new legislation was introduced to replace the outdated Developmental Services Act. The new social inclusion act is currently being implemented and will govern the supports and services that are provided to people. However, it's not possible to advance the changes envisioned by the legislation without the commitment of additional resources. Should the government attempt to implement the new administrative structures needed to introduce this legislation without providing new funding, the only place within existing budgets from which to take the funds would be from the services provided to people, the result being a cutback in services and supports.

(3) Over the past two years, strides have been made to improve the historically low wages paid to workers in the sector. Steps must be taken as the economic climate improves to finish the work that has been started and ensure that a reasonable wage is paid to the workers. In the meantime, we must not lose the gains that have been made and must not allow wages to slip back. To do so would risk increased labour unrest in the sector and significant reductions in the quality of staff that can be attracted to provide services and supports.

1540

We wish to thank you for this opportunity to provide you with our issues and our suggestions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this afternoon. Now I will turn it over to the official opposition.

Mr. Toby Barrett: Thank you to Community Living for presenting.

You make the case that we need to address the issue of poverty amongst a group of people. Seventy-three per cent live below the poverty line, and you make the point that there has to be the annual cost-of-living increase for 2010.

You are going to be part of the ODSP review, the income support review, and you make three points. You wish to address disincentives to employment. How is that going? I know there are a number of excellent employers that bend over backwards to bring people in, and after a while they find out it works pretty well. How is it going? Are we getting more employers?

Mr. Gordon Kyle: A great deal of work can still be done. We've had a long, long history of working with employers in the province through Community Living, back to our early days of sheltered employment and then through the mid-1980s and on in working to support people into regular employment where they could begin to earn regular wages. There has been positive work in that area, but just so much more needs to be done to make investments on that side of the equation. We've focused our resources on the social assistance side and making sure people have income supports without making more substantive investments in really assisting people to get out into regular employment. So there's a lot more that needs to be done in that area.

Mr. Toby Barrett: Or being on social assistance but still having that part-time job.

Mr. Gordon Kyle: Absolutely.

Mr. Toby Barrett: That's what I'm talking about.

Mr. Gordon Kyle: We think the income support is going to be an ongoing support need that people have.

Mr. Toby Barrett: Sure, for many people, yes.

Mr. Gordon Kyle: Clearly, people who wish to and have the skills to do so really do want to get to work.

Mr. Toby Barrett: Secondly, you wish to better enable ODSP recipients to keep more of what they earn. So that would be just kind of raising the bar as far as what's in their bank account? Or how—

Mr. Gordon Kyle: As people understand the system now, there is a clawback system by which, as you earn income, you will lose a portion of your ODSP. We understand at some point that that's a fairly standard practice within any income support system, but we think that really needs to be looked at again to create a situation by which people really feel it is worth going out to work and not jeopardizing their income.

In particular, the issue of the additional health benefits that come along with ODSP is a very critical one for people, and some improvements have been made on this of late, but more can still be done. It really should be that it's worthwhile to go to work, and that's what we want to see.

Mr. Toby Barrett: Yeah, like everybody else. That's the goal.

The third point is, again, to enable asset-building strategies. I suppose there's concern in government around fraud. I mean, my view is that you crack down on the fraudsters, not everybody. Weed out the ones who might be abusing the system. But, again, so many people are dependent enough as it is on government, and here we have policies that make them even more dependent because they're not allowed to get ahead.

Mr. Gordon Kyle: Critical ones lie in housing. As appreciated as it is—the system of support that we've had in creating community organizations that provide housing to people—we could do a whole lot more. Many of us in our society have a significant amount of our investment in the homes that we own. There could be more opportunity for people to have home ownership and build that stability over time.

The RDSP, which was put in at the federal level—and the provincial government has supported it by not clawing back ODSP for those investments—is a good step forward in allowing people to put some money aside, and more needs to be done. There are issues around people not being able to access all of the banking systems because of issues of legal capacity and their ability to actually go and speak for themselves and make investments in the banking system.

Mr. Toby Barrett: You'll be presenting this to the review?

Mr. Gordon Kyle: I think the most important thing on the review of social assistance hasn't so much to do with upping how much you get in social assistance, but really making sure, like the rest of us in society, that we have opportunities to work, opportunities to invest, opportunities to develop greater self-sufficiency, and, as you point out, to make sure that behind that there's a safety net of social assistance that remains viable and intact for people.

Mr. Toby Barrett: Yes. Great.

The Vice-Chair (Mrs. Laura Albanese): Thank you for being here this afternoon, once again.

That concludes our hearings here in Niagara Falls. I would like to remind committee members and support staff that the bus will be leaving shortly after 4 p.m., so be ready at 4:05 p.m. at the front entrance. Thank you.

This meeting is adjourned.

The committee adjourned at 1546.

Continued from back cover

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Standing Committee on Finance and Economic Affairs

Pre-budget consultations

Comité permanent des finances et des affaires économiques

Consultations prébudgétaires

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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Tuesday 26 January 2010

Mardi 26 janvier 2010

The committee met at 0901 in the Delta Armouries Hotel, London.

The Vice-Chair (Mrs. Laura Albanese): The Standing Committee on Finance and Economic Affairs will come to order. We are pleased to be in London for today's hearings.

PRE-BUDGET CONSULTATIONS

CITY OF LONDON

The Vice-Chair (Mrs. Laura Albanese): We'll begin with our first presentation of the pre-budget consultations 2010. We have our first presenters. We welcome the city of London and the mayor, Anne Marie DeCicco-Best. You will have 10 minutes for your presentation; that will be followed by up to five minutes of questioning, and the first round will go to the official opposition.

Please state your name for the purposes of our Hansard recording and you may begin.

Ms. Anne Marie DeCicco-Best: Okay, thank you very much. Again, I'm Anne Marie DeCicco-Best, mayor of London. I want to welcome all of you here. I hope that you had a good stay and will have a fruitful day today in terms of all the presentations that will come forward.

We've distributed a brief to you. I have a number of staff members with me. Grant Hopcroft, whom many of you may know, has been a long-standing employee of the city of London as well as on the elected side at one time, so he has quite an amount of experience. I have two other members who are also in the audience in case there are any additional questions.

The brief that we have presented to you is actually 18 pages long and I have no intention of going through each and every one of those pages. Hopefully, at your leisure—

Interjection.

Ms. Anne Marie DeCicco-Best: Yes, I know. You're a former council member, so you know.

What I would like to do is, I've highlighted and chosen a number of aspects of that brief to highlight to you.

I'd say at the outset that we all understand the economic times that we face as municipalities, as well as a province and country. What we are trying to do in our presentation to you is not only give you a number of opportunities where we think we can continue to work together in strong partnership and build our cities, but also make some comments on areas where we hope that, as the government moves forward, it will give you some fruit for thought on areas where we can see improvement.

I always like to start off with thanking the government for some good-news items. We've been very fortunate here in the city of London to be the recipients of a number of initiatives and the funding that goes with them. Not that I'll mention each and every one of them, but I would say that the uploading of the municipal cost of Ontario Works benefits, as well as ODSP and the drug benefits, has been to the improvement of our community, and I would suspect most other cities would feel the same way. It has certainly helped our bottom line, and we do appreciate the government's commitment and understanding that these services on the tax base at a local level is not the appropriate way in which to deal with them. We'll look forward to continuing that upload in the years ahead.

We also want to recognize the municipal infrastructure stimulus funding that has come forward. This has come to us in a number of different ways, through a number of different programs. But of course, here in the city of London we are very fortunate to be able to have a three-way partnership with the federal, provincial and municipal governments of approximately $100 million. A third of that share was from the province of Ontario. I understand that now the province, as does the federal government, also has its own deficits to look after, but those stimulus dollars have been extremely important for our community, to get people back to work and to be able to move up a number of projects that we would have had to wait probably three or four years to do. So the stimulus money has been very important for us. As I mentioned, on pages 1 and 2 there is a whole series of different funding and projects that have come forward, and we really do appreciate that.

As we go into some of the actual recommendations for consideration, when we get into pages 3 and 4 of our brief, we've tried to outline a number of different initiatives that the government is looking at right now that look at regulation. One of the things that I really want to stress on this is that each and every time the government comes forward with a new regulation, there are both pros and cons to that.

There are unintended consequences, in fact, in most cases when we're all trying to do the right thing. Sometimes the regulations have a huge financial impact on a municipality or make it very difficult to be able to move

forward with the actual program itself. What we've tried to do is outline a number of different regulatory areas that you're currently looking at, and we would ask that you give very serious and careful consideration before anything moves forward or they're put into place. We would continue to strongly recommend that you also continue to talk to municipalities that have the experience in these areas and can tell you, first and foremost, what will happen if some of these things move forward.

We've made the case on the Dearness Home and long-term care, which is something all municipalities will be thinking about. Our operating costs have actually risen from 17% to 25% of the total costs and on a per-bed-day basis, our costs have actually tripled while the provincial share has not even doubled. This will be something that you'll hear across the province, and there's more information there on this point.

Another one of the areas is the clean water and safe drinking water legislation and the regulations that continue to increase, and that increases costs for municipalities at a time when all of us are trying to keep our rates down, but we're still trying to provide good service. We have placed a high priority in London on water, waste water and safe drinking water, but sometimes the regulations that come forward don't get us any further ahead and have, again, a very high cost attached to them.

In water and waste water, our utilities, there needs to be appropriate integration and implementation plans during the transition under the new regulations that are coming forward. Again, the cost burden is going to fall on the users, so we would really want to ensure that it's done in a very manageable and sustainable fashion so that careful thought is given as to who's going to have to pay for this at the outset.

There are also new standards and arbitration-driven settlements for emergency services. This is something that, in fact, I can tell you: Through the Large Urban Mayors' Caucus here in Ontario we have a special committee that we set up probably five or six years ago where London is an active participant, because we have seen as municipalities that the cost for emergency services, in particular in the settlements that are taking place across this province, becomes very unmanageable to the bottom line. When there is a benchmark set, whether in police, for an example—the OPP or Toronto police force—then everybody ends up having to follow suit, and it makes it very difficult for the rest of us to be able to pay for those. Yet if you go to arbitration, what normally happens is if one starts, the rest follow, so it becomes very difficult for us. We have been trying for quite some time to get the ear of the government in changing this arbitration process, and we have now used this committee as a way to try to be more consolidated in our efforts as municipalities. But we would ask you to continue to look at that area and to work with us to see the changes that are needed for that.

One of the big areas in regulations that, again, I believe we have taken a leadership role on in London as it relates to the entire province—but I know every city is looking at this—is the new AODA accessibility regulations that are coming forward. We have already made a number of presentations to the committee that's been set up by the government to hear from us. Our briefs have been extensive; they have been very detailed. We provided some information in this brief, but if you want more detailed information on that, we would be happy to provide it to you. That will come forward at a particular time.

Again, we have done, I think, a great job with our own accessibility plan here in the city of London. We are one of the first municipalities, in fact, to have one of those, and so we are very committed to this. But we also know that the current rules and regulations that are being looked at and how the standards would come in would be a massive undertaking financially, and it would make it very difficult for any municipality to be able to meet this standard. We are in agreement that it's a good thing to move forward, but we caution how quickly and how that integration takes place. There seems to be even a number of different standards out there and different reports that say, "You've got to do this," and "You've got to do that." What we would see would be a more integrated fashion.

So we've made, again, as I say, some very detailed recommendations on that, and we'd be happy to give you more if you need that.

The Vice-Chair (Mrs. Laura Albanese): You have about two minutes left.

Ms. Anne Marie DeCicco-Best: Okay. Maybe what I would just do is say to you again that as we go forward on this, we definitely have some areas of expertise in affordable housing and social housing. We've continued to work with the government on that; again, we've made a number of presentations. We think that there should be a national strategy on housing, but the provinces each have to be a part of that, as should municipalities. We've worked very hard on that, and there's more information on that. If you go into our brief, you'll see everything from Hostels to Homes, which was a program that has been very successful in London that has been partly brought forward by the provincial funding that we would consider moving forward, to areas in waste diversion, tax capping, development charges and some other programs that we have here in the city of London that are very unique.

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Our bottom line is that we have always believed that working with the government is a much stronger way to move forward, and we would look forward to continuing to do that. I hope that you'll take the time to look at each and every one of our ideas, and if you have any questions, we'd be happy to answer those.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now turn it to the official opposition. Mr. Miller.

Mr. Norm Miller: Thank you very much for your presentation. I know my colleagues have some questions as well, but I just wanted to ask you about the emergency services arbitration issue that you raised. What sort of

suggestions have you got to try to, you know—we heard yesterday from another municipality that arbitration is resulting in 4.5% to 5% increases in costs and that it's a real problem for them. It sounds like you have a similar situation. What suggestions would you have for modifying arbitration or to try to get that manageable, I guess?

Ms. Anne Marie DeCicco-Best: I would answer two ways. The most simple thing that we have been asking for is to ensure that in the actual parameters that an arbitrator is given, a lot more attention is paid to the local case rather than what's happening in every other municipal jurisdiction. It may seem like a really simple thing and you may think that that's already happening—

Mr. Norm Miller: So is that like ability to pay, or how do you work that in?

Ms. Anne Marie DeCicco-Best: In each municipality, whether it's a police service board or, in this case, with fire and paramedics, it's the responsibility of the municipality to make a case as to what you can pay, and ability to pay is certainly one part of that. The answer is not "a municipality can pay whatever is the going rate," because we also have to go back to our taxpayers and say, "This is how much it's going to cost you." So, for us, it's important that at the arbitration level more attention is paid to us making a case locally as to why we think we can only afford a certain amount rather than looking at what happens elsewhere.

I'd also say that whatever the benchmark is, and I use the OPP as an example, those rates are set by the province. If the province is going to pay a certain amount or give certain premiums or give certain benefits, it makes it very difficult for any of us at the municipal level not to follow suit.

Mr. Norm Miller: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Mr. Barrett.

Mr. Toby Barrett: Thank you to the city of London for presenting again to this committee.

I wanted to get an idea of how London is doing. We heard a bit about how London was doing last year as far as commercial and industrial, and you would see some of this through assessment, perhaps. How are we doing in the city as far as the economy?

Ms. Anne Marie DeCicco-Best: Well, I'm sure you would be following that over the last year, as unemployment continued to rise, this region was one of the hardest hit areas, and manufacturing is one of our key areas. And certainly it takes in more than just our community. St. Thomas, for one example, has been hit exceptionally hard, losing many plants in their community. So there's no question that we have some what I would say are unique challenges. We've made that case to a number of your colleagues at the provincial level as well, that we think we also should bear some unique support that way, because of our economy, as we continue to build and look for new ways to redefine our economy.

But having said that, London is a very diverse community. We've had growth in a number of areas, and we're continuing to see a rebound here. It will be gradual, like any other place. What will support us and help us is, as we come forward with our economic plan which we have developed as a council, it will look for partnerships, and the province will be one of those partners in a number of areas. So we will bounce back and we will be stronger as a result of that, but it will be gradual and we'll need the support of our partners, including the government, in order to do that.

Mr. Toby Barrett: Is there any evidence that stimulus funding at either the federal or provincial level is creating employment?

Ms. Anne Marie DeCicco-Best: The majority of our dollars will be spent through 2010 because of the way the program was announced by the federal government. It took them a long time to get off the ground running, so it took us some time to get our tenders and everything out. But about 80% of our funding will be through this year of 2010, and we'll meet, hopefully, next year's deadline of March 2011. But I can tell you that one of the things the stimulus dollars also did which helps us on an economic front is, because we were able to advance by about three to four years many projects that we would have had to wait to do, it has given us a capacity of about $55 million which we are now creating an economic development fund on and which will be used to leverage new economic opportunities in this region. So we were able to do two things by putting people back to work quickly and still leaving some opportunity there for the future.

Mr. Toby Barrett: Great. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. We have 30 seconds left.

Mr. Peter Shurman: Let me just ask you a quick question, then. Yesterday in Niagara Falls, the mayor was concerned about sustainable infrastructure funding. Is that something you would share?

Ms. Anne Marie DeCicco-Best: We always need to be able to count on dollars being there every year and not being one-offs. So if we could count on a number of these programs being there for the long term, it would certainly help our bottom line.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this morning.

Ms. Anne Marie DeCicco-Best: Thank you very much.

INTERFAITH SOCIAL ASSISTANCE REFORM COALITION

The Vice-Chair (Mrs. Laura Albanese): Now I call on the Interfaith Social Assistance Reform Coalition to come forward. Good morning.

Mr. Brice Balmer: Good morning.

The Vice-Chair (Mrs. Laura Albanese): You will have up to 10 minutes for your presentation. There could be up to five minutes of questioning after that. I would ask that you please identify yourself for the purposes of our recording Hansard.

Mr. Brice Balmer: Right. My name is Brice Balmer and I'm the director of ISARC, and with me is Alexandra Béasse, who is working with us as a MSW practicum student from Yeshiva University.

I'm not going to read through this. I'll just go through the important points. In the faith community, we believe that it takes a village to raise a child, and we think that perhaps it's not only the children that need the village, but all of us personally. We also wanted to quote Deb Matthews, who was the head of the child poverty reduction group, saying, "We must have all hands on deck." We think that we're trying to do that locally from our faith communities.

ISARC and its members have appreciated the work of the government as it establishes full-day junior and senior kindergarten, the Ontario child benefit, the Ontario poverty reduction strategy, and of all parties as they unanimously passed the poverty reduction law, the affordable housing consultations and now the Ontario social assistance review. These are promises from the Liberal platform but we also realize that all parties had poverty reduction in their platforms in 2007 and hope they do it again in 2010. We're glad that these promises are being kept and we hope that they'll be a substantial down payment to decrease poverty and implement the strategies.

We think this is not only poverty reduction, it's also reducing the effect of the recession. As many economists tell us, and as we know from our own experiences, low-income people spend their money locally.

I'd like to just mention four points: three main ones and a fourth one.

First of all, child care: We're very concerned about the $64 million for the 7,600 child care spaces that are sort of up in the air at this point. We hope that the budget comes down with that. ISARC appreciates the $18-million subsidy but we're also concerned about possible reductions, and if we want parents to go to work, we need to provide child care. Parents will be searching for alternatives, and we're very concerned that unregulated child care spaces may have a detrimental effect on some of these children.

The provincial budget comes in time for our regions and municipalities and our child care providers to take action. As I was listening to CBC this morning, child care providers are already talking about having to close down because of the full-day JK/SK and because of this 7,600 reduction in spaces. So we have a clear crisis in front of us right now with child care. For the child care providers, many of which are in faith communities, one of our concerns is that the younger children need more care than the four- and five-year-olds. We hope that the province studies that.

Second of all, affordable housing: The rationale for affordable housing has not always been to provide housing for low-income people; it has also been an economic stimulus to get people back to work. So we're concerned, first of all, that there is more affordable housing, and that even though there's money in the pipeline, we hope that the province puts $250 million behind the affordable housing strategy, that you put $250 million behind that as a down payment, so it's not just the federal monies, but it's also the provincial monies that are there.

0920

Second of all, faith groups have many affordable housing development corporations that are working on this issue. We hope that our municipal governments are able to work and set the priorities and who are appropriate development corporations for the affordable housing. To put in for approval at the provincial level is one step further from the local communities, and we think the local communities need to have a primary place in the decision around where affordable housing goes. They should be a part of establishing what the priorities are in their community.

We also allude to the Federation of Canadian Municipalities, which have also come up with some of these recommendations.

Currently, some of you may or may not know—it's in your London brief as well—that many non-profits are having trouble bringing more and more social assistance recipients into affordable housing. If you're an affordable housing provider, for a single person, you get $119 if they're on social assistance; you get 30% of their income if it's a person who's a low-wage worker. So some of our non-profit housing providers are starting to feel the effects of having this lower rate for people who are on ODSP and OW, and it's making their life much more difficult. We think that non-profit housing providers should get the full 30% or the maximum housing shelter allowance there.

Finally, in housing, we're very, very happy with what's happening when people are moving from hostels to homes: the H2H project. In Kitchener, where I'm from, we're seeing dramatically positive effects of that. We realize that because people have been homeless sometimes or in very, very difficult housing situations for up to 15 years, it's important now that we help those people get into homes, rather than to stay in the hostel system or on the streets.

On income security, we're glad for the increases in the Ontario child benefit and would encourage the government to move that up another step, to $125 per child per month. We're also concerned that many of our people cannot pay the rent and have a nutritious diet, so we're endorsing the healthy food supplement of $100 per adult per month. Many of our people are living on just abysmal incomes and can hardly even afford the housing, let alone food, so we think this is a very, very important process.

We think that if you actually took a look at it, some of these people are visiting doctors much more often. If we really want to look at our hospital and health care system, if people have nutritious food, they don't use the health care system. If you want to reduce some of the costs in the emergency wards, it would be good to do the $100 supplement. I know I don't like to sit in an emergency ward, because I see too many people I know going through there, and it's partly because I've worked with a

lot of people who are addicted to drugs and alcohol and are low-income people in our community.

Finally, around income security, we are glad for the way the minimum wage has been raised. If we put the minimum wage to $11 an hour in 2011, that would equal what the minimum wage was in 1995. We still know that for single persons to work and take care of themselves—at least in the Waterloo region—it's $15 an hour. So we're still behind what a living wage is, but minimum wage is moving up and that's a good anti-poverty reduction.

Finally, in equity and anti-racism, we realize that a significant number of the people who are poor, a higher percentage than average, are people of colour and people of ethnic groups. We would like to see that there be some way, a directorate—or some way that this could be addressed.

Ontario has begun to reduce poverty. Good ideas are emerging. This is happening at the federal and the provincial level, at least at the federal level until it was prorogued. But we want to also track this, as ISARC. So from February through May, ISARC will be conducting a social audit. This is our fourth social audit since Transitions, which was done by the Liberal government in 1986. We're going into 25 communities. We're much more thorough than we have been in the past. We're especially targeting rural, new Canadian and single adults and trying to spread it over much more of the communities. We're also negotiating with CUPE to hear some of the opinions of people who are social service workers in the social assistance welfare system. We're also talking to some other local people who are service workers in the non-profit sector. We will ask them about the effects of poverty in their lives, and we will ask them how they think they can break the cycle of poverty for themselves, their families and their neighbours.

Local convening groups are springing up across the province. They will be bringing local reports. As well, we'll be bringing a provincial report. As MPPs, many of you will be asked to meet with your local group to talk about what happened in this local social audit—

The Acting Chair (Mr. Kevin Daniel Flynn): Thank you, Brice. You've just reached the end of your time. Were you just closing?

Mr. Brice Balmer: Oh, I thought you were going to give me a warning.

The Acting Chair (Mr. Kevin Daniel Flynn): I thought you were coming to the end anyway.

Mr. Brice Balmer: We want to all work together. This is what we're doing to make sure poverty is eliminated in Ontario. Thanks.

The Acting Chair (Mr. Kevin Daniel Flynn): Perfect. Thank you. Michael, it's your five minutes.

Mr. Michael Prue: My first question is for you to please complete what you were going to say.

Mr. Brice Balmer: On the last page, you'll see our stuff. What we really want to say is that the Ontario faith communities have been on deck for generations trying to eliminate poverty. Poverty has gotten worse. We're in the focus of it getting better. We really want to continue to work with you to make this better.

Some of the services working out of faith communities have actually been going for 25 years. The volunteers are tired. We're not getting the donations we used to get. We really need help to work at the survival funds that we're producing. We would like to help with child development, with neighbourhood development, with all kinds of stuff, and we get stuck in providing survival services. We really hope that some of these ways will help us to get out of the survival mode.

Mr. Michael Prue: Okay. Some of the questions that I want to ask—I always love the work that ISARC does, the optimism that you bring to the table. However, when I listen to the Premier, I get a little chilled these days because there's a $25-billion deficit, and the Premier has reiterated again and again and again that his priority is not poverty. It is, to be fair, health, education and jobs. That's what he says over and over.

How much money do you think is going to be necessary in this budget to make a real start on reducing poverty?

Mr. Brice Balmer: I think the programs that have been articulated by the 25 in 5 group, and I think that's around $1 billion to $1.5 billion in the 25 in 5 blueprint, we would stand with that. It's not a lot of money. I think this child care thing is in addition to some of that. ISARC works with the Ontario Alternative Budget. They do an analysis of the budget, and I would hope that the government and the opposition parties pay attention to that.

ISARC also is concerned that there's a growing gap between the rich and the poor in our community. We know that some people in Canada are still doing very, very well, whereas some of the people we're working with can hardly survive. So I think we need to be a community where all participate in making it a healthy community for everybody.

Mr. Michael Prue: I am particularly concerned about what people who are on welfare eat. I've been on the welfare diet twice to try to point out to people how horrible it is. The rates have not increased significantly for people on social assistance, save and except if you have some children in a poor family, where they've gone up marginally. But if you're a single adult, they haven't even kept pace with inflation for the last six years. What should we be doing there?

Mr. Brice Balmer: Well, all of you can go on the website—now I forget the name of the website—and you can look at what it costs to live. It's out of The Stop in Toronto, and they've done a really good analysis of what happens. We think that $100 a month would be a substantial increase, especially for single adults, and it would actually allow single adults to start to buy nutritious food. Therefore, it would decrease some of the health costs that we have.

Now, we'd also like the government to work with us to investigate whether that actually happens, but we know that if people have more money and if they eat

well, they're not going to end up in the hospital as quickly.

0930

Mr. Michael Prue: The last time I went on the welfare diet, it was $12 for 10 days, and that's pretty standard for what people were eating. I would assume today it's worse than that.

Mr. Brice Balmer: Yes.

Mr. Michael Prue: So the $25 is just to allow them basically to eat—$25 a week.

Mr. Brice Balmer: Yes. All of our public health departments have come down with what it takes to have a nutritious diet. All of our public health departments and medical officers of health are now saying that in Ontario, with minimum wage or with social assistance, you cannot pay the rent and eat a nutritious diet. We had a bit of a controversy in Waterloo region because the health department said that an older woman should be able to survive on $25 a week worth of groceries. The older women just had a complete fit. They said, "We need more than $25, and what does it mean? We need to sometimes have our children come and eat supper with us, and we can't do that on"—it was either $25 or $35. So these older women wanted to go with the public health people to the grocery store and actually figure out what would be a good diet for them.

So we are in a difficult situation. If people are on minimum wage, even full time, or if they're on social assistance of one kind or another, they can no longer afford the rent and food, and we need to figure out how to handle that.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. The time has unfortunately expired. Thank you for appearing before the committee this morning.

LONDON CHAMBER OF COMMERCE

The Vice-Chair (Mrs. Laura Albanese): Now I call on the London Chamber of Commerce to come forward. Good morning. You will have 10 minutes for your presentation. That will be followed by up to five minutes of questioning. This rotation goes to the government side. Please identify yourself for the purposes of Hansard before beginning.

Mr. Gerry Macartney: Thank you, Madam Chair. My name is Gerry Macartney. I'm the CEO of the London Chamber of Commerce. I am joined today by the president of the board of directors, Mr. Kevin Switzer, who's also the vice-president of corporate finance for Davis Martindale; Doug Marshman, who's the chair of our federal-provincial affairs committee and a partner with Deloitte; and Kristen Duever, who is our policy analyst and marketing and communications coordinator.

Thank you for coming to London and thank you for the opportunity to present our views to you today.

The London Chamber of Commerce is the recognized voice of business in London. With over 1,000 member firms, we represent about 56,000 employees, and we've been doing that for the better part of 153 years. That's the shortest chamber commercial I'll ever give.

Members of the committee, our recommendations today are based largely on the outcomes of a recent pre-budget survey that we issued to our members earlier this month. We believe their responses indicated generally what the vast majority of Ontario businesses feel right across the province. We've attached a survey result sheet for you at the back. It's a graph that indicates the three or four main areas of concern that our members had. I invite you to look at that and you'll see that the chief concerns centre around debt, deficit and lack of a plan in that regard.

First, allow me to thank the provincial government for their courage in the face of one of the most trying economic periods in our history. The government deserves credit for trying to pull our economy out of the clutches of a recession and for helping us get back on track through the various stimulus initiatives that they've offered to municipal governments, businesses and individuals alike. Notwithstanding the enormous costs and the political risks associated with these historic initiatives, we understand that the government did what it had to do when it had to do it. Is it enough? Don't know. Time will tell.

However, now that the stimulus initiatives are under way and a timetable for their implementation is put in place, we believe, as we head into this next budget period, that now is the time to implement a defined formula for Ontario's provincial deficit strategy. A comprehensive and practical plan to eliminate the provincial deficit in as reasonable a time frame as possible is in order, while at the same time remaining resolute in the direction that is set for comprehensive tax reform.

Our ability to compete as a province will depend to a great degree on the continuation of the corporate business tax strategies that have already started paying huge dividends and will continue to do so well into the future. To retreat on this strategy will cripple Ontario's competitive position and dash any hopes of new investment and job growth for Ontario. We also recognize that to prematurely retreat from the stimulus initiatives that have helped us to gain this foothold on recovery would not only jeopardize certain sectors of our economy, it may indeed reverse or defeat any hope of a full recovery going forward.

Ladies and gentlemen, our recommendations are designed to provide an effective balance between acting prematurely, acting too late or not acting at all. It's our view that the government can and should act prudently to focus spending in areas that aid recovery while limiting or eliminating spending in areas that provide little or no value and do not contribute to our economic recovery. Given the government's massive stimulus package and the record deficit spending, restraint now must be the focus. To avoid structural deficits and skyrocketing debt, the government must apply a disciplined spending approach to eliminate the deficit.

London Chamber of Commerce recommends the government's plan for a comprehensive review of expendi-

tures and a deficit reduction plan should adopt the following principles:

Remain committed to the principles and timelines of tax reforms announced in 2009. With a more competitive tax environment secured through lower marginal effective tax rates, London's business community—indeed, all of Ontario's—will be in a better position to return Ontario to its former status as the economic engine for Canada. We've long advocated for a tax reform package that includes sales tax harmonization, the elimination of capital tax, the consolidation of corporate tax collection and more competitive personal and corporate income taxes. The passage of Bill 218, we believe, puts in place the final pieces in that tax reform package.

The Ontario government should focus not on any quick fixes but rather on long-term, sustainable fiscal solutions to address the budget deficit.

The government should establish firm expenditure targets. Smarter, more efficient spending must be applied to all programs, including health care, which is Ontario's fastest-growing expense. At the same time, smarter spending has to recognize the critical, valuable role that education and training have on our future prospects for job recovery.

Also central to improving Ontario's fiscal position is the need to continue its focus on infrastructure spending. We've long held the view that infrastructure is the highway on which commerce travels, and while we've done a pretty good job in recent days of improving our infrastructure, we have a long way to go. Arguably, the national deficit in infrastructure is somewhere between $125 billion and $200 billion.

Ontario must address the long-term demographic risks its future health care costs provide. That said, the annual increase in health care costs as a percentage of the total budget is practically and mathematically unsustainable. We continue to recommend a larger role for private industry in a publicly funded system, to encourage efficiencies, enhance productivity and foster innovation.

The efforts that have been made to craft out a new deal, as the mayor mentioned earlier, for Ontario municipalities are not only worthy of note; they provide critical component pieces for a full recovery in Ontario. Continuing the old practice of offloading onto municipalities simply doesn't work and it won't work in the future.

The government should lay the foundation to reduce debt in the long term. To do that, we have to eliminate the deficit. It's our view that based on the kind of growth we've seen in the last 30 to 60 days, coupled with signs of recovery in the US economy, and with the appropriate spending measures in place, the government can and should target a reduction in the provincial deficit in the range of 30% by the end of the fiscal year, March 2011, with reductions of 10% per year in the subsequent years—examples are 40% by 2012, 50% by 2013 and so on—with the elimination of the deficit, at worst, by the end of the decade, around 2019.

If you look at the graph again, you'll see that our members were chiefly concerned about the size of the debt, the size of the deficit and the lack of an articulated plan to eliminate that deficit.

Thank you very much for your time. I will be happy to accept any questions that you have.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I now turn it to Mr. Ramal.

Mr. Khalil Ramal: Thank you, Gerry. Thanks to the president and the chair and the analyst for coming this morning and presenting to our committee.

I know you have been a champion for tax reform and reduction of the corporate tax and surtax etc. to make Ontario, especially London, a very competitive place and an attractive place for businesses to come and open.

In your opinion, then, our tax reform meets your vision—or not yet? Also, how can we achieve the maximum level of that vision in order to attract more business to the city of London and the region?

Mr. Gerry Macartney: I think the tax reform package that we've seen recently goes a long way, if not completely, in answering some of the concerns and questions that we in the business community have held for some years.

Interestingly, we've just returned, Kevin and I, from the Canadian chamber national convention, held in Victoria, and 318 chambers of commerce voted unanimously for that same kind of tax reform package across the country. So whether we like harmonization or not—and we understand that there's going to be some pain associated with that—it's the right thing to do in the long term to make us competitive as a province and as a nation.

Unfortunately, with all the exemptions that we're seeing, that continues to bump up the percentage. If there were no exemptions, many of the main economists in our country argue that we could have a single-digit tax.

0940

Mr. Khalil Ramal: Okay. Gerry, you mentioned health care, smart investment in health care, and you said that we should open for private. But as you know, the main attraction for many companies to come and open in Ontario, especially in this region, is because we have publicly funded health care. It attracts more companies to come and give us some kind of advantage. How can you say otherwise, and why do you—

Mr. Gerry Macartney: Khalil, that's part of the great debate. The reality is that 26% of your health care today is provided privately, so it's not a new phenomenon. The private sector has been engaged in health care for some time. We're talking about the advancement and the enhancement of private-sector participation in the health care system in a single-tier environment. That can be done, it should be done, and I think there are all kinds of opportunity for Ontario to take advantage of that.

Mr. Khalil Ramal: Thank you very much. I guess Maria has a question.

Mrs. Maria Van Bommel: Thank you for presenting this morning.

I'm particularly interested in your comments around the deficit. You talk about the elimination of the deficit,

at the worst end, by 2019. You say the worst, so what should be the proper amount of time it would take for us to eliminate a deficit without doing the harm that you talked about in terms of quick fixes?

Mr. Gerry Macartney: It's sort of two trains going down parallel tracks. If the economic recovery that we're seeing taking place now really takes root and it starts to move in the direction that we believe it will take root in, then I believe you can achieve the targets that we've set out, the 30% by 2011, 10% and so on thereafter. Obviously, you're going to have to adjust that, depending on how the economy recovers and if it recovers, without damaging the amount of recovery we've seen to date.

We're optimistic that that recovery is taking a foothold and that we'll see that continue throughout the next two to three years. We would invite the government to investigate our formula quite closely, and if you don't like ours, show us a better one.

Mrs. Maria Van Bommel: Your survey demonstrates that the chamber and members of the chamber are very concerned about the deficit and about provincial debt, but I'm wondering, do you think that the public is as aware as members of the chamber are and as concerned about the deficit as you are?

Mr. Gerry Macartney: Debt and deficit have been one of the two hardest things to explain to the general public historically, because, first, they think they are both the same thing, and we know that they are not. What they feel is the pain of program reductions that otherwise could have been spent on them and on this nation but instead go to debt servicing costs. So the sooner we educate and inform our public about what the costs of debt and deficits are, the better. You'll know that at the federal level we're achieving about $153 million of accumulated debt per day more to the national debt on a daily basis. That's frightening, and that's your children, my children, your grandchildren paying for that cost.

The Vice-Chair (Mrs. Laura Albanese): Twenty seconds left.

Mrs. Maria Van Bommel: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation today. Our time has expired.

Mr. Gerry Macartney: Thank you very much. I appreciate the opportunity.

LONDON HEALTH SCIENCES CENTRE

ST. JOSEPH'S HEALTH CARE

The Vice-Chair (Mrs. Laura Albanese): We now call on the London Health Sciences Centre and St. Joseph's Health Care to come forward. You will have 10 minutes for your presentation. That will be followed by up to five minutes of questioning, and this rotation will go to the official opposition. Please state your name for the purposes of our Hansard recording, and you may begin.

Ms. Karen Belaire: Good morning. My name is Karen Belaire, and I am the chief operating officer of clinical services for London Health Sciences Centre and St. Joseph's Health Care at London. Cliff Nordal, our CEO and president, could not be here, and he sends his regrets.

London Health Sciences Centre and St. Joseph's are two separate corporations governed by separate volunteer boards. They have formed a unique operating relationship that has created the most integrated hospital system in this province. At the same time, LHSC and St. Joseph's maintain their unique ethos and culture, and provide focused stewardship of their respective but complementary missions. This morning I will table some of the current challenges requiring concerted provincial attention.

For those of you who may not be familiar with London and its hospitals, let me start by telling you a little bit about them. London Health Sciences Centre has been in the forefront of medicine in Canada for 135 years and offers the broadest range of specialized clinical services in Ontario. As a leader in medical discovery and health research, London Health Sciences Centre has a history of over 30 international and national firsts, and attracts top clinicians and researchers from around the world. As a regional referral centre, London Health Sciences Centre cares for the most medically complex patients, including critically injured adults and children in southwestern Ontario and beyond. The hospital's 10,000 staff, physicians, students and volunteers provide care for more than one million patient visits a year.

St. Joseph's Health Care, London, is a major patient care, teaching and research centre with a distinguished legacy of service to London, southwestern Ontario and the veterans of Canada, dating back more than 130 years. St. Joseph's five key role areas include acute/ambulatory care, complex care and veterans' care, long-term care, rehabilitation and specialized geriatrics, and specialized mental health care.

Facilities and services, including St. Joseph's Hospital; Parkwood Hospital; Mount Hope Centre for Long Term Care; and Regional Mental Health Care, London and St. Thomas, are part of the St. Joseph's family. More than 400,000 patients annually receive care from close to 6,000 physicians and staff at St. Joseph's.

London Health Sciences Centre's next major milestone involves the completion of approximately 600,000 square feet of shelled-in space in the north tower at Victoria Hospital for new, state-of-the-art facilities, and approximately 100,000 square feet of renovations. We look forward to finally closing the doors of the aging South Street Hospital to all patient care.

At St. Joseph's, the transformation of St. Joseph's Hospital continues, with the second milestone of construction currently under way. We have recently completed renovation of some 81,000 square feet of existing space to accommodate a range of programs, including the Ivey Eye Institute.

The future specialized mental health care facilities are now engaged in Infrastructure Ontario's project process, with anticipated openings in 2013. These new facilities—

a forensic psychiatry hospital at the current location near St. Thomas and a facility for all other specialized programs in London adjacent to the Parkwood Hospital—are key to the overall aim of shifting from historical institutional models of care to best practice rehabilitation approaches.

As you can appreciate, these projects are the bricks and mortar of redevelopment as we strive to create a hospital system that best serves patients in our community, so today I want to bring your attention to the key issues facing our hospitals, specifically involving access to care and budget planning in the current economic climate.

At London Health Sciences Centre and St. Joseph's Health Care, London, we connect with people at very important and poignant times in their lives—birth, illness, trauma, recovery and death. People count on us to deliver high-quality and compassionate care. The single greatest impediment to access lies in the number of patients waiting for care in another part of our health care system. However, this is not a London-only problem. Access to care is a systemic issue.

At London Health Sciences Centre we continue to be challenged by the number of patients occupying acute care beds while waiting for an alternative level of care such as a nursing home or a rehabilitation centre. Almost daily we operate at an occupancy level that is above 100%. It is extremely unfortunate but not unusual for us to be treating patients in hallways rather than in rooms. We are grateful to patients and their families for consistently demonstrating tolerance, as this is clearly not the kind of care the people of Ontario expect or should accept when they need hospital services.

For St. Joseph's, backlog issues continue to lie in the lack of community supports and discharge options for patients. For example, those who have completed weeks of rehabilitation at Parkwood Hospital cannot find the home or housing support needed to successfully return to their communities. This also holds true for people with serious and persistent mental illnesses who no longer need hospitalization but do need community treatment and support, including housing and vocational opportunities.

To address this issue, our hospitals established the transitional care unit—TCU—at St. Joseph's Parkwood Hospital in November 2008. The TCU is for alternative level of care—ALC—patients who are in acute care at London Health Sciences or rehabilitation at St. Joseph's Parkwood Hospital and could receive more appropriate care in an alternate setting. These patients are provided with restorative care to promote independence and maximize their potential to be cared for in retirement homes, long-term-care homes, supportive housing or in their own homes with support from the South West community care access centre. The unit runs at an 95% occupancy, and to date over 200 patients have received restorative care at the TCU.

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As part of the South West LHIN's urgent priorities and aging-at-home initiative, the TCU received a funding extension in September 2009. As of January 2010, we have not heard about further funding and are proceeding with an assumption that the TCU is fully funded until November of this year and partially funded until April 1, 2011.

Opening transitional beds is a good first step but does not fully alleviate the bed access issues in London and across the LHIN. We support the government's efforts to add long-term-care beds and other community supports; however, we also know that the full capacity to care for these patients outside the hospital setting does not yet exist. Indeed, the local CCAC has advised us that they will be implementing significant wait-lists for their services due to budget constraints. As you can see, in today's constrained fiscal environment, the issue of overall health system capacity is of particular concern. Uncertainty around funding levels only compounds our concerns and the ability to plan for future years.

The Vice-Chair (Mrs. Laura Albanese): You have about two minutes left.

Ms. Karen Belaire: As I said, people do count on us to deliver high quality and compassionate care, but they also expect us to be effective stewards of the resources entrusted to us by the taxpayers of Ontario. As you know, Ontario's hospitals are the most efficient in Canada. Given the level of collaboration between London Health Sciences and St. Joe's, we are able to generate substantial efficiencies through integrated leadership structure, group purchasing and shared administrative functions. Nevertheless, we are constantly comparing our actual costs to benchmarked efficiency levels. Our shared goal is to achieve the top core performance in all programs while upholding our quality, safety and academic responsibilities.

Over the last two years we have implemented significant budget reductions and efficiencies without affecting service volumes. Again, as part of our planning for 2010-11, we have conducted another exhaustive review of opportunities to save money in ways that will not directly impact patient care. We have identified approximately $34 million in non-clinical savings which were approved for implementation by the board of directors. These strategies will impact staff and how we provide services; however, these initiatives, regardless of funding levels, must be implemented to ensure that our hospitals are operating as efficiently as possible when compared to others.

Despite our strong efforts to be as efficient as possible, we are acutely aware that operational costs could rise by more than 4% next year, and of course we have a legal requirement to balance our budget. Based on the worst-case funding assumption of 0%, the budget savings targets for the next fiscal year are $32 million at LHSC and $17 million at St. Joe's.

What do the numbers mean? To summarize, it means that we can achieve a majority of our savings through efficiency improvements, but additional savings will require us to reduce the volume of patient services we provide. Because the situation remains very fluid, it

would be irresponsible to speculate about the potential impacts of a given planning target on patient care, but clearly the obvious impacts would be closing beds and cancelling surgeries, which will create longer wait-lists and job loss.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now turn it to the official opposition. Mr. Shurman.

Mr. Peter Shurman: Why don't you take another minute and just finish that page, because you've got nothing left there.

Ms. Karen Belaire: Okay. We do understand that the financial and economic crisis facing Ontario is extraordinarily serious and that the government revenues have fallen dramatically. We also understand the impact that the current economic climate has on our patients and their lives. I believe, though, that we share the same vital objective: to avoid actions that will significantly destabilize access to patient services. Therefore, it is critical that the 2010 funding targets be released as soon as possible.

In closing, there are significant stressors on our system that require ongoing provincial leadership in collaboration with providers. We need: continued support of our restructuring efforts; continued investment in home, community and hospital alternative levels of care; and confirmation of our hospital base funding as soon as possible. Thank you.

Mr. Peter Shurman: Thank you very much. A good presentation. As a matter of fact, I should congratulate you before I ask you anything because your reputation goes well outside of London. I have a constituency north of Toronto, and you're considered top in your field, so good for you on that.

However, listening to your presentation, you've identified needs, and they obviously have a price tag. Now we're hearing about cutbacks. At best, we're hearing about no increases, and I know you've heard the same things as we have and experienced them. Health costs—and we've heard this already from a number of groups—are at a point where, how much more can you get? It becomes blood out of a stone. What's your opinion on where this has to come from, going forward?

Ms. Karen Belaire: Every poll that I have seen tells me that Canadians value their health care. In fact, it's always within the top three of their priorities. They value it so much that the recent poll said they would be willing to do some of their own investing in research to support health care innovation. So we need to take a good look at that. We cannot move to a system that underfunds health care and leaves people going to the US for care. We currently know that a large number of Ontario residents need to go out of the country to receive care, and those dollars are much higher than they would be if those services would be provided here in Ontario. So that's the first area we could look at to save some money.

Mr. Peter Shurman: Okay. Interestingly—and you were in the room for the presentation of the London Chamber of Commerce, and you heard the same thing that I heard—one of the recommendations was that there have to be more creative approaches to health care delivery by looking at a piece of the private sector. What's your reaction to that?

Ms. Karen Belaire: On a personal level, I would agree with that. I think there is a way to partner with the private sector to provide health care services.

Mr. Peter Shurman: Give me an example.

Ms. Karen Belaire: Many outpatient services that we currently provide could be provided in private sector outpatient clinics.

Mr. Peter Shurman: Repetitive procedures, like joint replacement—would that qualify?

Ms. Karen Belaire: Some repetitive procedures like joint replacement could be in that setting but, most importantly, what we might find then is that the most complex cases would remain in the publicly funded system. Because the publicly funded system is responsible for teaching academics and research, we need to ensure that doesn't happen. We need to keep a full range of services within the public system available.

Mr. Peter Shurman: This is the last question from me. In the final part of your presentation you identified a program that you had undergone, I guess, two fiscal years ago, where you identified the possibility of savings and came up with a significant sum of money, and you've done it again. Will this sustain the level of delivery of services that you've had, say, in the past year, or are you going to fall backwards if there's no additional money forthcoming from Queen's Park?

Ms. Karen Belaire: I identified the savings targets for this year at $32 million for London Health Sciences and $17 million for St. Joe's. Eighty per cent of those targets have been met without impacting services, through efficiencies etc.—new revenue generation, cost-saving strategies, asking our vendors to reduce the cost of supplies to us. But roughly 20% of that target now has to be found in service changes.

Mr. Peter Shurman: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for presenting this morning before the committee.

UNIVERSITY STUDENTS' COUNCIL, UNIVERSITY OF WESTERN ONTARIO

The Vice-Chair (Mrs. Laura Albanese): I will now call on the University Students' Council at the University of Western Ontario. Good morning. You will have 10 minutes for your presentation, which will be followed by five minutes of questioning by the NDP on this rotation. Please identify yourself before you begin for the purposes of our recording Hansard. Thank you.

Mr. Dan Moulton: Good morning, everyone. My name is Dan Moulton. I'm the vice-president of university affairs at the University Students' Council here at the University of Western Ontario in London. I have some remarks prepared, and I'll go through those for the remainder of my presentation time. Afterwards, I'd be excited to hear some questions.

Ontario is knee-deep in a recession, the likes of which we haven't seen in decades. Those caught in the crossfire include auto workers, electricians, teachers and students. As more and more Ontarians grow uncertain about their future, the citizens of this province continue to look to their leaders for swift and decisive action.

As students here at the University of Western Ontario and across the province, we look to the billions of dollars injected by our local universities into understanding that post-secondary institutions must continue to be at the heart of economic renewal. Every new job created at a university, every funding dollar invested in quality enhancement and every grant and loan issued by the government to a student is a direct investment not only in our universities, but in the diverse communities that they serve.

Universities support local businesses, local innovation and, most importantly, local citizens. Simply put, investing in Ontario's universities makes great economic sense.

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The report that I've distributed before you today, compiled by our provincial advocacy alliance and supported by our students' council here at Western, focuses on three main areas important to post-secondary education for Ontario's economy: participation, quality of university and local economic impact.

On participation, we focus on the individual benefits to society and to our economy that a higher-education credential provides as well as the importance of increasing participation rates if we're going to be a global competitor in the future knowledge economy. We know that 70% of all future jobs will require some form of post-secondary education. To meet this challenge, the Ontario government must take leadership in removing barriers to participation in post-secondary education.

Ontario's Institute for Competitiveness and Prosperity highlights the pressing issue of supporting systemically disadvantaged groups in attending post-secondary education. They write, "Our research into inequality and poverty indicates yet again the importance of education, not only for Ontario's competitiveness and prosperity overall, but also as a way to assist the disadvantaged move into the economic mainstream." This has led students to call on their government to invest in and develop a comprehensive early outreach strategy with enrolment targets for disadvantaged groups.

Here at Western, through the University Students' Council, we organize an early outreach conference which brings local grade eight students from the Thames Valley District School Board to our campus. These students, predominantly from backgrounds traditionally underrepresented at university, have the chance to learn, experience university life and grow through peer mentorship, team-based experiential learning and activities to build self-confidence. Early outreach models like these support young people in understanding the positive benefits of post-secondary education and provide them with broader horizons for the possibilities of their future. We must see programs like these in communities across Ontario if we hope to overcome socio-economic and informational barriers to access in post-secondary education.

Further on the topic of participation, students must see expanded investment in Ontario's student financial assistance programs to ensure that Ontario has Canada's most accessible university system. As students, we stand firm in our belief that it is time to once and for all modernize Ontario's financial assistance programs. This will require reforms to the Ontario student assistance program—OSAP—which will bring the program in line with the realities faced by students in the 21st century.

For example, it is no longer reasonable to expect that each Ontario student's parents will fully support them in the pursuit of their education, nor is it reasonable to expect that OSAP maximum loans have remained static for the past several years, responding in no way to the larger economic picture faced by students every day. Most troubling of all are arbitrary restrictions within the program on the earnings of students. For example, OSAP currently restricts students from earning more than $50 per week and claws back everything over and above this amount at the end of the economic year. These are just a few of the problems facing the thousands of students here at Western and across the province making use of this program. The time is now for this government to modernize and invest in this program.

The section in the report in front of you dealing with quality enhancement focuses clearly on raising Ontario's student-to-faculty ratios to meet national and international competitor averages. Without a doubt, more and better-prepared teachers will mean smarter and more employable students and graduates to help this province prosper.

A recent report from the Ontario Confederation of University Faculty Associations points out that Ontario is falling behind in its hiring of full-time faculty. According to OCUFA, a target set five years ago by Bob Rae during his review of higher education suggested hiring 2,000 new faculty a year over the last five years. Unfortunately, this turned into only 450 a year. This will not allow us to continue providing the world-class educational experience Ontario's institutions have prided themselves on.

But quality extends beyond the number of faculty at the academy or students that depart with a degree. We must see measurable improvements in the students and educational experience at our universities. The quality of our degrees will be Ontario's competitive advantage.

Lastly, the report before you outlines the ways in which Ontario's universities contribute to their local economies which they serve. Whether it's wages paid to staff that are then spent in university towns, purchases made for goods and services by the universities themselves or the local research partnerships and the future innovation that are cultivated at the local level, universities truly are an economic engine, powering communities across the province. It is important that this government recognizes that investments in post-

secondary education are, in fact, a powerful form of stimulus that can immediately have an impact on local communities and their economies.

With an eye on the future of the province, if Ontario wants to truly compete in the knowledge economy of today and prosper in the creative economy of tomorrow, then it must have the most affordable and accessible universities of the highest quality in the world. If Ontario hopes to eradicate poverty in my lifetime, then having an affordable and accessible education system is of the utmost importance. Truly, a diploma or a degree is, in its simplest form, the first step out of poverty.

Five years ago, the current government started us on a path towards real improvement of post-secondary education through the Reaching Higher plan. We've seen measurable improvements in our education system through this investment, but the time is now to reinvest in our universities that help this province to prosper and to grow.

Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I will now ask Mr. Prue to begin the questioning.

Mr. Michael Prue: My first question, and you very briefly touched on it, is about student debt. I'm very worried about student debt at the end of university. I've been told that, depending on what you're graduating from, $60,000, $70,000, or $80,000 is not unheard of. That's probably more money than a person would earn in a year, even if they ended up getting a great job right out of university. Is that dissuading people from going to university?

Mr. Dan Moulton: There are a lot of barriers to accessing post-secondary education, and I think the financial barriers involve not only the upfront costs of education through tuition and ancillary fees, but also the amount of debt the student will assume after achieving their degree. The average debt for a student in Ontario is around $26,000, and that's just the average debt. Of course, numbers like $50,000 or $60,000 aren't unheard of at all, especially in the professional degree programs. I think those are the sorts of issues that we need to address through programs like OSAP and the Ontario student opportunities grant.

One of the most concerning things for us right now as students is the idea that this grant, the Ontario student opportunities grant, which caps our debt at $7,000 annually through the OSAP program, could be in jeopardy. It's an expensive program and we're understanding of that, but it's also an incredibly supportive program and it's probably one of the most effective programs in terms of supporting our students in managing the debt crisis, as we would call it.

So I think programs like that, which cap debt, are really the important ways for us to invest here, to ensure that students are able to continue to access their post-secondary education and aren't crippled by debt following the conclusion of that education.

Mr. Michael Prue: Students in the past have talked about repayment of the debt. Right now, interest is right away, but you don't have to make a first payment for six months. Some are suggesting it should be a year or two years in order to let students get their jobs and try to get some money and get on with it. Do you think the government should be extending the timeline in which you start repaying the debt?

Mr. Dan Moulton: Of course, yes. One of the recommendations we made to the ministry, as it looks at the OSAP program, is to see a full-year interest-free grace period. Right now it's a six-month grace period, but it's not interest-free. So while in your time in education you don't accrue interest on your loan, you do over that six-month period. We see that grace period as incredibly important for students' ability, once they finish their degree, to establish themselves. It's likely they're going to be moving away from the university town they are located in, trying to find a job somewhere. That first year is going to be incredibly important in ensuring that that student gets their feet settled on the ground and is able to take off running, in terms of participating in Ontario's economy and living a healthy life.

So we are concerned about that, and we're certainly drawing attention to those problems. We're asking that there be a full-year interest-free grace period instead of the six-month grace period. That was a promise that was made by the current government in the last election, and we're still waiting to see that implemented.

Mr. Michael Prue: You talked a bit about kids, grade 8 students, from poorer backgrounds being encouraged. Is there more we can do? I do know that, sadly, even today, the number of children who live in poverty and who actually go on to higher education is very much lower than the standard. What else can we do?

Mr. Dan Moulton: As I said during the presentation, we're actively advocating for more early outreach programs across Ontario which go into communities, such as the Pathways program in the Regent Park area, and talk to these students about the importance of post-secondary education, the opportunities that are before them, and the positive outcomes that come with a post-secondary education.

We know from research from the Canada Millennium Scholarship Foundation that students are making these decisions earlier and earlier in their life and making the decision of whether or not they're going to be going on to post-secondary education. So it's important that we have those programs that are reaching out to those students at a younger age, through our elementary and secondary school programs, educating these students about the advantages of post-secondary education and helping them understand the opportunities that are before them. That's certainly a large part of it, to support those students.

But we also need more grants for students from low-income backgrounds, grants that are targeted towards students who need funding the most—non-repayable grants, of course, that are going to support those students in getting in the door in the first place. That's something that we've been advocating for.

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Right now, Ontario invests around $300 million annually in tax credits for students through the education system. These have been, in the past, designed for access purposes. We know the tax credits aren't serving any students in terms of those who are challenged with access issues. So we're advocating that those funding dollars being put through tax credits be moved towards upfront grants for students who need that funding the most.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

COMMUNITY LIVING ESSEX COUNTY

COMMUNITY LIVING WINDSOR

The Vice-Chair (Mrs. Laura Albanese): Now we call on Community Living Essex County and Community Living Windsor to come forward. Good morning. You will have 10 minutes for your presentation. That will be followed by up to five minutes of questioning. This time the rotation will go to the government side. Please identify yourself for the purposes of our recording Hansard, and you may begin.

Mr. Xavier Noordermeer: Good morning, everyone. My name is Xavier Noordermeer, and I'm the executive director of Community Living Windsor. I'm joined by my colleague Karen Charette from Community Living Essex County.

We bring you greetings from Windsor and Essex county and thank you for the opportunity to appear in front of you today. We're very appreciative of that. Community Living Essex County and Community Living Windsor have chosen to jointly present to you today our recommendations, which we believe demonstrates our collective commitment to the people we support, the collaborative nature of our work and the positive use of time and resources.

Our agencies together support over 1,000 people of all ages who have an intellectual disability, all of whom live in Windsor and Essex county. We are funded by the Ministry of Community and Social Services. We support people as they develop the capacity to live, to learn, to work and to participate in all aspects of life in the community. The services and supports that we provide include: supported living, day supports, employment supports, supported independent living, family supports and special services at home.

In addition to those families and people we support, our agencies collectively employ over 900 people. We believe our employees are amongst the very best and most dedicated in the province of Ontario. The work they do is extremely important to the well-being of the people we support and their families. We believe that the people we support are some of the most vulnerable in our society.

A significant promise by government of new legislation governing our sector was realized in October 2008 when the Services and Supports to Promote the Social Inclusion of Persons with Developmental Disabilities Act, 2008, received royal assent. We refer to it as the social inclusion act. Our agencies advocated for change, and we welcome this act. We've been actively participating in the public consultations.

Our comments today will focus on four areas that we believe are vital to both the success of the transformation agenda for developmental services in Ontario and to the overall sustainment of the supports in place for over 1,000 people in Windsor and Essex county.

Our first area, we like to call "additional cutbacks are unsustainable." The Ministry of Community and Social Services introduced an increasing community capacity initiative in October 2008. This initiative required all regions to increase their capacity to support people without new funds being provided, which was equivalent to about 2% of our resources. While this initiative has resulted in some new services for people on waiting lists, it has also reduced the flexibility and capacity that we as agencies have to respond to many community demands that were placed on us.

The developmental services sector has been chronically and historically underfunded. The demand for service has always exceeded the funding, and as a result we have always provided unfunded supports to people in need and in crisis. This sector has, through necessity, become a master of doing more with less. The needs of the people we support and their families are our priority. Our administrative structures operate with minimal funds—less than 8% of our total budgets. We believe our sector to be the most fiscally responsible and lean that there is.

In 2007, the province announced a four-year funding commitment to developmental services. This commitment for years one through three has been honoured. When dedicated multi-year funding was announced, it was an opportunity for the first time for our sector to be able to financially plan beyond the current provincial year. Agencies have made fiscally responsible decisions and commitments based on this promise, including wage increases negotiated with our unionized workforces.

Our first message today is that there is no room for further reductions. This includes any consideration of across-the-board reduction in funding for transfer payment agencies. The quality of supports that we provide in Windsor and Essex county will be put at risk. The developmental services sector is historically underfunded and any further reduction will seriously jeopardize our ability to provide continued quality supports. We are asking that providers in the developmental services sector be assured that government will follow through on the 2007 budget commitment, and will receive a 2% increase to base budgets in the 2010 budget.

Our second point has to do with transformation. We applaud the government's decision to undertake the transformation of the developmental services sector, and currently the regulations which implement the social inclusion act are being established. We share government's goal of ensuring that transformation in Ontario for

people who have a developmental disability will result in high-quality service that is equitable, flexible and sustainable. We are becoming increasingly concerned regarding the apparent decision by the Ministry of Community and Social Services to proceed with the transformation agenda without assigning additional funding for new government initiatives and requirements. Our recent experience with the ministry through the facilities closure initiative adds to our concern. In the fall of 2008 we were advised of a $2.2-million deficit in the southwest region due to the closure. An accounting of how this deficit occurred has never been provided, yet our region was required to absorb the shortfall.

In addition, the social inclusion act provides for application and funding entities to be established in each of the nine regions of the province. To date, we have been told that these new entities will be funded out of existing resources. Quite simply, the existing system cannot bear the cost of the development and ongoing operation of these entities, and therefore we recommend the government appropriately fund both the establishment and ongoing operations of both the application and funding entities.

Ms. Karen Charette: Our third point is the waiting lists and changing needs of the people we support. The social inclusion act speaks to establishing waiting lists. We're concerned that this acknowledges that there will be continued inadequate funds to support the people who desperately require the services and supports. Changing demographics and our current experience clearly identify the growing number of adults requiring support in our community and the number of families who are aging and struggling to continue to support their family member at home. Many families waiting for help receive it only in the most urgent of situations or have to wait for the death of someone currently receiving supports and services.

People who have an intellectual disability are anxious to take part in society as full participating citizens. Ensuring such inclusion demands that adequate levels of government-funded supports and services are available for individuals and families as they pursue meaningful and productive lives.

Some of the current service challenges in our sectors include: accommodation supports are unavailable to individuals with significant challenges whose parents have become too old to care for them; individuals with extremely high needs must wait years for support funding and day or accommodation supports, placing ongoing stress on families and caregivers; across the province, people are in temporary arrangements awaiting appropriate accommodation, while many more families and their adult family member are without day programs or supports at all; the increased support needs of individuals as their health deteriorates or as they age.

Throughout Windsor and Essex county, at least 427 identified adults and their families are on a waiting list for supports and services. This number rises greatly, as there are many others who require help but have not, for a variety of reasons, completed the necessary paperwork to be added to the waiting list.

The Windsor-Essex county region also suffers from increased pressures as ground zero for the recent economic downturn. Many families have found it increasingly difficult to support their family member with a disability and have sought additional supports up to and including 24-hour accommodation supports, particularly for those people whose needs are most challenging. We're recommending that the government invest new funds to reduce waiting lists and to assist people whose support needs are changing.

Our last point is regarding the Ontario disability support program. The pending review of the social assistance program in Ontario is long overdue. Our agencies support this initiative and look forward to participating in the process. This, together with the provincial poverty strategy, is hopeful indications that the poverty which most individuals who have an intellectual disability live within can be eradicated.

We recommend that ODSP benefits need to provide for the real cost of living. Rates should reflect average market rents. For example, the average single person living on their own receives $796 ODSP monthly and of that, the maximum rent allowance is $464, which leaves very little for food and basic needs such as transportation and utilities. The rates should also be adjusted annually for inflation.

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Secondly, improvements to ODSP benefits should be accompanied by a continued focus on employment opportunities for people with disabilities. The current affordable housing strategies, particularly the Canada-Ontario affordable housing program, are very important and effective methods to help ODSP recipients live in affordable, accessible rental accommodations, and these strategies should be expanded in the 2010 budget.

Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for the presentation. I will now turn to Maria Van Bommel for questions.

Mrs. Maria Van Bommel: Thank you very much not only for presenting to us today, but also for the work that you do.

I'm just going to go to the end of your presentation, because it's the most recent we talk about, and that is the Ontario disability support program, and you talk about average rents and that sort of thing. Can you tell me what the impact is on people who live in rural communities in terms of the ODSP? Is there a differential between their costs compared to someone who lives in town?

Mr. Xavier Noordermeer: Absolutely. The increased challenge that people in rural communities have is transportation, and it is so difficult. Whether it is for medical appointments or just to take part in activities that you and I take for granted in our community, for them to get there is extremely difficult. Transportation is a huge issue for people who live in rural areas, and there is no additional allowance for that for them.

Mrs. Maria Van Bommel: Do you think that's what should be happening when we do calculations for ODSP? You talk about food and you talk about housing costs, but should transportation costs be included, especially for people who don't have access to alternative methods of transportation?

Mr. Xavier Noordermeer: Absolutely, because it's a way for them to connect to their community, for sure.

Mrs. Maria Van Bommel: I also wanted to just go back to your comments about the southwest centre, the regional centre. With the closing of the centre at Charing Cross, and you talk about the shortfalls on the deficit for that centre—

Mr. Xavier Noordermeer: Correct.

Mrs. Maria Van Bommel: How many of the residents or the clients who lived at the regional centre at Charing Cross actually remained in the Windsor-Essex-Chatham-Kent area?

Mr. Xavier Noordermeer: In the last round of the closure initiative, approximately 90 people moved to just Windsor and Essex county. I can't speak for Chatham-Kent or Sarnia, but I know that approximately 90 people ended up being supported by our two organizations.

Mrs. Maria Van Bommel: Out of how many residents who were there at the time?

Mr. Xavier Noordermeer: At the time, there were 297 who were left. So approximately a third of the people.

Mrs. Maria Van Bommel: The people who stayed within that area: Is that because their families were there, or is that simply because it was a comfort area for them?

Mr. Xavier Noordermeer: I think primarily it was because their families were originally from—

Mrs. Maria Van Bommel: From the area.

Mr. Xavier Noordermeer: From the Windsor-Essex area. Again, I can't speak to Chatham-Kent and Sarnia–Lambton, but our two areas had approximately a third of the people.

Mrs. Maria Van Bommel: So, out of the monies that we talk about in terms of that deficit, at least one third of that cost has still remained with you in order to help those clients.

Mr. Xavier Noordermeer: Those are costs being absorbed by the southwest region that the ministry has to find somewhere, and typically that ends up having to come out of agencies like ours.

Mrs. Maria Van Bommel: Okay. Thank you. I think my colleague would like—

The Vice-Chair (Mrs. Laura Albanese): Mr. Ramal, two minutes.

Mr. Khalil Ramal: Thank you very much for your presentation. You know, I am biased toward Community Living because I worked for Community Living London for many years and I also worked with people with intellectual and physical disabilities.

We had the biggest investment in the history of this province in this sector. Also, we did many different pieces of legislation, especially for social inclusion, and the individualized funding. So can you tell me how this is positively affecting your organizations in regard to saving and also to do with people with intellectual and physical disabilities?

Mr. Xavier Noordermeer: Can you—

Mr. Khalil Ramal: I'm talking about the new legislation.

Mr. Xavier Noordermeer: How it will impact people?

Mr. Khalil Ramal: Positively, yes.

Mr. Xavier Noordermeer: I think one of the most important considerations is the fact that we'll now have provincial application forms. I think the government will now have a much better idea of how many people there are in the province of Ontario who are in need of supports and services. That information has been really difficult to roll up prior to this, but we'll now have provincial application forms and provincial data that will be available to us.

Mr. Khalil Ramal: There were some questions about the ability of the government, the ability of the community to benefit from that system. How do you find it? Easy to access, or difficult to access, and how—

Mr. Xavier Noordemeer: The application entities have not emerged yet. That process is currently under way, so the act calls for the establishment of application entities in each of the regions of the province. So we're just in the process of determining what that will look like, certainly in the southwest, but in other areas. We're not really sure what the impact will be. I think there are approximately 10,000 people across the province of Ontario who are still waiting for supports and services, and in our area we know of families in their 80s and even their 90s that still support sons and daughters at home. I can't think of anything worse than going to my grave not knowing whether or not there will be somebody there to support my son or daughter. It's horrible.

So, in just Windsor and Essex, adults only: 427 people waiting for supports.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Sorry, the time has expired. Thank you very much for your presentation.

FANSHAWE COLLEGE OF APPLIED ARTS AND TECHNOLOGY

The Vice-Chair (Mrs. Laura Albanese): Now I call on the Fanshawe College of Applied Arts and Technology. You will be allowed 10 minutes for your presentation, and that will be followed by five minutes of questions from committee members from the opposition party. Please identify yourself for the purposes of Hansard, and then you may begin.

Mr. Jamie Mackay: Thank you. Good morning. My name is Jamie Mackay, and I am the vice-president, external relations, for Fanshawe College, which is based here in London but also has campuses in Woodstock, St. Thomas and Simcoe, and smaller operations in downtown London and in Tillsonburg.

Thank you for the opportunity to appear before you today for the 2010 pre-budget consultations. My presentation will focus on four main issues: the college vision for higher education, the labour market challenge, strategic investments to preserve quality and strengthen the economy, and applied research and innovation.

Fanshawe has 15,000 full-time students and 35,000 part-time registrants each year. As I noted above, we have four campuses serving southwestern Ontario, with over 110 post-secondary certificate, diploma, degree and apprenticeship programs and 15 graduate certificate programs. Over 80% of our graduates live and work in southwestern Ontario.

A 2004 study—the latest for which we have numbers—conducted for the colleges by CCbenefits Inc., outlined the contributions each college makes to its community. It might interest you to know that the study showed that the rate of return on investment by Ontario taxpayers in Fanshawe was calculated to be 15%. That return comes in the form of increased tax revenues as graduates earn higher salaries and, consequently, pay more in taxes.

The federal and provincial governments are to be commended for the stimulus investments in their last budgets. The investment in college infrastructure has had a direct and positive impact on our students and it has stimulated job growth. Fanshawe, for example, received over $31 million towards our new centre for applied transportation technologies. The new 148,000-square-foot centre will be created from a repurposed building into a state-of-the-art facility which will have 16 classrooms, 13 labs, and seven shops, equipped to simulate real-world scenarios in trades and technologies that support the transportation industry. The centre will accommodate 1,500 full-time students and will feature a range of environmental construction techniques, including a green roof system over the shop areas and solar hot water heating.

We are living in a new world, one that demands higher levels of expertise and skills. Let me cite a few facts: Currently, 33% of Ontario's six-million-member workforce have a college qualification. This represents 2.1 million workers. A recent survey by the Canadian Federation of Independent Business found that businesses facing labour shortages will need six times as many college graduates as university graduates. The most recent forecast by Ontario Job Futures indicates that only 8% of new jobs to be created in Ontario could be filled by people with a high school education. All other positions will require at least some post-secondary education or training.

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The province has an opportunity to implement meaningful and transformational changes that exploit the potential for growth in the new economy and drive Ontario's prosperity to unprecedented levels. Colleges have formulated a vision for higher education that will strengthen Ontario's competitive advantage. Our vision will result in increased mobility through credit transfer, better access by increasing participation and attainment rates, improved retention rates, and better alignment of post-secondary education and applied research with the needs of the transforming economy. These outcomes are achievable but they require bold, forward-thinking action.

Credit transfer: I'd like to speak about its importance to our vision for higher education. I'm sure you have heard from students and parents in your local communities that there is a real concern that students are forced to repeat courses they have already completed because there is no robust credit transfer/credit recognition system in Ontario. This extends the time they must spend in school. Unlike other provinces, Ontario doesn't have a way of having students move seamlessly from college to university or vice versa. This is putting a financial strain on students, their parents and the system, and in some cases delays the entry of those students into the labour market. We believe that with a robust credit transfer system, Ontario will improve access to post-secondary education for students.

In our community, like others across the province, we are facing a serious labour market challenge. A significant portion of Ontario's skilled workforce—and I'm not just referring to skilled trades; this impacts many sectors—are over the age of 50. Although the recent economic downturn means that some will postpone retirement plans and continue to work, experts agree that there will be significant shortages in such fields as health care, IT, high technology and, of course, skilled trades.

While we have seen some hopeful signs of recovery in our region—established businesses are hiring again; new businesses are being established—however, economists generally acknowledge that job creation lags behind an economic recovery, and much more needs to be done to lower our unacceptably high unemployment rate.

Many of the unemployed cannot move into employment because they do not have the skills required by the emerging knowledge economy. An aging population and an emerging knowledge economy threaten Ontario's prosperity. If we do not act now to increase the proportion of skilled labour in our economy, a large number of our employees will not be able to compete internationally. As a province, we need to look at this situation as an opportunity to invest in our future. We believe colleges, because of our close historic ties to business in our local communities, are the key to local economic development and growth.

We recognize that the government will have some tough choices in this budget. During these tough economic times, it is critical that the government remain focused on investing in the education and skills of people as the long-term solution to many of the challenges we face. College graduates are in great demand because colleges train in the practical skills they need for the jobs of the new economy. Our graduates are job-ready.

At Fanshawe, enrolment was up 10.8% this past September, and applications for next year are up 10%. We are seeing more people choosing colleges to get the necessary training they need for the changing economy.

Our main concern, however, is that funding has not kept pace with increased enrolment. I do want to acknowledge that in last year's budget, growth was covered by end-of-year, one-time money, but that is not in our base budgets. This is not sustainable because we are not able to plan or manage our programs effectively.

Studies show that college students come from all socio-economic backgrounds, particularly under-represented groups—aboriginals, the disabled, first-generation, women, immigrants—who tend to need additional supports to succeed. Ontario's colleges are requesting $163 million in additional operating support for the 2010-11 fiscal year just to address enrolment pressures and allow us to continue to provide quality programs.

I'd like to spend some time talking about applied research, another area where the colleges are adding value in helping businesses, especially small and medium-sized enterprises, with innovation, applied research, and development.

At Fanshawe, we continue to increase our research and innovation activity, both in terms of applied research related to employer and community support, and our own work related to teaching, learning, student retention and student services. We are continuing to develop areas of focus which include sustainable energy and environment; media, including digital media; business and entrepreneurship; and interprofessional education in the health sciences.

We are delighted to report that we were awarded our first federal college and community innovation program research grant, which will enable us to significantly increase the capacity of our emerging centre for sustainable energy and environments, which is anchored in both our school of applied science and technology and our school of design. The CSEE is supported by a $2.3-million grant from the federal government, plus $1.8 million in cash and in-kind contributions from our private sector partners.

The Vice-Chair (Mrs. Laura Albanese): You have about 30 seconds left.

Mr. Jamie Mackay: Well, I'm grateful for the opportunity to make the presentation. If you've got any questions, I'd be glad to address them.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. You may go ahead.

Mr. Ted Arnott: Thank you very much, Madam Chair. Good morning, Mr. Mackay. Thank you very much for your presentation; it was excellent. I think you're well aware that Fanshawe College is well respected and appreciated around the province for the outstanding programs that you offer students.

You laid out your presentation in a very straightforward way. You talked about the vision, you talked about the labour market challenges that you foresee, the need for additional investments, and you wanted to talk about applied research and innovation. Do you want to briefly give us the ideas that you had hoped to present on that last subject?

Mr. Jamie Mackay: On the applied research and innovation, the advantages the colleges have are that it's a very practical kind of innovation that we're involved in. We've got some work that we're doing with solar and wind research which we think will tie immediately to the province's agenda and help some of the businesses that are in that area bring products to market. That's really, I think, where colleges can be quite effective.

Mr. Ted Arnott: Across the province, we've heard concerns about the Second Career strategy. Of course, the government would have us believe that this program is intended to provide financial assistance for laid-off workers to undertake longer-term training. Certainly in Waterloo region, we experienced a significant number of people who had thought they had been enrolled in the program and then were told that they were not. Obviously, they were extremely disappointed, and there was an insufficient response from the Ministry of Training, Colleges and Universities to help. Has it affected Fanshawe and the community of London?

Mr. Jamie Mackay: Fanshawe was very active in providing Second Career opportunities. We had very high enrolments, not just at our London campus but at the regional campuses as well. Certainly we were disappointed, because we had a number of students, obviously, who were caught in a situation where they couldn't continue their training. We've been working with the ministry to make sure the newly developed program can accommodate these individuals, or are looking for other options for them.

Mr. Ted Arnott: These were students that actually had commenced their training and had to stop in the middle of it, or at some point.

Mr. Jamie Mackay: Well, they believed they were enrolled in the program and then were told that, no, they didn't qualify.

Mr. Ted Arnott: From our perspective, the government should have found a solution to that problem so as to ensure that all of those students would be able to carry on with the training they need so that they can become more marketable in the job market and obtain work.

Now, you mentioned as well that there's a need for an improved credit transfer system, some sort of mechanism that would allow for the transferability of credits so that students weren't forced to take basically the same credit over again that they had already taken at a community college. Which province does that well? You mentioned that other provinces do it well. Which does it the best?

Mr. Jamie Mackay: British Columbia has a very long-established program where you can do two years at a local college and then move on to a university and complete your degree there. In some cases now, they've been extending that degree-granting power to the colleges so they can do their entire degree there. But they have a credit transfer agency, and they've been at this for a long time. I certainly think there would be some lessons for Ontario in what they're doing in British Columbia.

Mr. Ted Arnott: So there's an existing model in Canada that we could look at in some degree?

Mr. Jamie Mackay: That's exactly right.

Mr. Ted Arnott: What are the obstacles in terms of Ontario adopting this practice? Why is it not happening here?

Mr. Jamie Mackay: The fact that we've historically had a two-stream system where you're bound for college or you're bound for university—there are some joint programs and there are some credit transfer arrangements in place, but we don't have the tradition, whereas BC developed more of a tradition historically in that regard.

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And frankly, some of our universities don't need any more students. They're full up. They have plenty of secondary school applicants and others returning. Others have been more interested in facilitating arrangements.

The Vice-Chair (Mrs. Laura Albanese): About one minute left, Mr. Arnott.

Mr. Ted Arnott: You indicated, sir, that your enrolment was up 10% last year, and anticipated enrolment increased 10% this year, and that across the board, community colleges would need $163 million this year just to keep up with the anticipated enrolment demands and maintain quality programming.

Mr. Jamie Mackay: That's right.

Mr. Ted Arnott: How much money does Fanshawe need to accommodate another 10% after last year's significant—

Mr. Jamie Mackay: No, finding spaces for them, of course, will be the challenge, but that's the kind of challenge we like to have. I think $3 million or $4 million out of that total amount would be my estimate of what we would need.

Mr. Ted Arnott: Thank you very much. I appreciate it.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation this morning.

Mr. Jamie Mackay: Thank you.

UNIVERSITY OF WESTERN ONTARIO

The Vice-Chair (Mrs. Laura Albanese): We now call the University of Western Ontario to come forward. You will have 10 minutes for your presentation, followed by five minutes of questions. We are in our rotation and it will be the NDP's turn to question you. Please state your name for the purposes of our recording Hansard, and you may begin.

Mr. Marty England: Thank you, Madam Chair. I'm Marty England. I'm the senior policy adviser to the president. I'm joined by my colleague.

Mr. Rob Esselment: Rob Esselment, the director of government relations.

Mr. Marty England: Madam Chair, we thought we'd divide our presentation into two parts. I'd like to spend just a moment to talk about the overall situation at Western. I'm then going to turn to my friend Rob to talk about initiatives that have been undertaken at Western in regional economic development.

This year we're coming to the end of the five-year Reaching Higher plan announced in the 2005 budget. From the perspective of Western, we want to begin by expressing our gratitude for those investments, and I'd like to just cite a few examples of the difference it made to us.

First of all, the enrolment increases that we've experienced at the master's and Ph.D. levels have been tremendous. They've helped us fulfill our long-term strategic vision. We hope that that will continue in future.

The graduation rates at Western have been increasing, and they're very high. They're in fact much higher than they are at peer universities in the United States. Over 90% of our students, for example, persist after their first year of study.

A growing proportion of our students are graduating debt-free; about 40% of our students are now graduating debt-free. This is due to increased investment in the Ontario student assistance program that we've witnessed, as well as our own investments at Western in student aid.

OSAP default rates have fallen to just over 3%. They were 10% a decade ago. Very few of our students are now defaulting on their loans.

Student surveys that we've conducted as part of our contract with the government under the Reaching Higher plan indicate significant improvements in the student experience. We administered those surveys in 2004, 2006 and 2008.

Finally, the student-faculty ratio at Western is gradually improving. It's the first improvement we've seen in 15 years.

Those are just proof points and the examples that I would give of the real difference that the Reaching Higher investments made for us and for our students.

We are, however, acutely aware of the economic circumstances of the province. In light of that, we've taken very great care to put our own financial house in order. We've reduced our operating budgets by 4.5% in the past year, we've reduced our spending from endowments and we've deferred some capital projects. We're going to produce a balanced budget without any structural deficits.

Now, that's not a plea for more resources. That's simply to let you know that we're prudent financial managers and we recognize that we should be and have to be, in current economic circumstances.

What would we like to see in a successor plan to Reaching Higher, bearing in mind the constraints upon the government's finances? First and foremost, we'd like to see some form of annual indexation on our operating grants, let's say comparable to primary and elementary education—just a level playing field for the education sector.

Secondly, we don't want to put forward a specific proposal on tuition fees; that's the most difficult political decision that any government has to make in our sector. Rather, whatever decision is taken should strike an appropriate balance between the public and the private investment so that students not bear the entire burden of

quality improvement or sustaining quality but that there be a fair balance. It's beyond my purview to determine what that appropriate balance should be; that's in your hands.

We'd like to see sustained investment in the student aid programs. As I mentioned at the beginning, they've made a difference to our students. It's a tremendously accessible system that we have in Ontario. We've succeeded in removing many financial barriers, and we would urge you to continue to invest.

We do need sustained investment in our infrastructure. The recent knowledge infrastructure program, jointly funded by the federal and the provincial governments, was a very welcome infusion. We have to take a look at the longer term, and we're currently engaged with the provincial government. They've conducted a survey of our needs for capital funding.

Finally, the Premier has expressed a long-term vision that would have 70% of the Ontario populace attain some form of post-secondary education. Of course, we fully support that objective, but in attaining that objective, government is faced with a difficult question of quantity versus quality. At the point when the government is willing to come forward with an expression of its willingness to fund increased enrolment, Western and the other universities in the province will step forward and work in partnership with the government on that.

Mr. Rob Esselment: Can I get a time check just to figure out how fast I have to read?

The Vice-Chair (Mrs. Laura Albanese): Yes. You have four minutes.

Mr. Rob Esselment: Okay; great. What my role is is to try and share some of the good news stories or Western's ideas on how partnerships between various stakeholders, including Western University's colleges, can help our region and our province build a better economic future. In the new globalized environment driven by a knowledge-based economy, universities can and should play important roles in promoting economic development through both innovation and knowledge transfer.

Western is very good at knowledge creation, but we have more work to do when it comes to the dissemination and application of that knowledge. We've identified, at Western, 10 signature areas of research where Western is already or has the potential to be national leaders. Within those 10 areas, we've determined four areas where we think there's an enormous possibility or potential to move that knowledge into the private sector through knowledge transfer and technology transfer. Those four areas, as we see them right now, are biomaterials and materials, including advanced manufacturing; imaging and medical devices; all types of alternative energy but more specifically bio-fuels, bio-oils and wind engineering; and then the digital media sector.

Universities can't do this alone; we understand that. We can't create the numbers of jobs that Ontario needs on our own. It's not our job. Our job is to train and create the leaders of the future, which is something we think we do quite well. But we can work together and seek out those partnerships and those collaborations that will result in the opportunities that will attract industry and create new jobs. We need to make investments in our future, and unless we're prepared to invest, we cannot get others to invest as well. That's how the system works. We must invest carefully and strategically, but we must be willing to invest.

We can create these magnets which will attract high-value activities to Ontario, including research clusters, and I encourage you to think about finding some flexibility within the limited resources that are available to the province in order to make these types of investments. They've made them in the past; either Ontario has made them on their own or we've done them through matching programs with the federal government—the Ontario Research Fund and Canada Foundation for Innovation, for example, in building research infrastructure—but we need to make those steps.

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Western's not waiting for opportunities to come to us, though. We're actively seeking out partnerships and collaborations with other universities, the colleges, cities and, most importantly, industry to try to move some of these areas where Western has strengths—some of these opportunities—forward so that we can immediately see the impacts and start attracting industry and job creation to Ontario.

We encourage Ontario to continue to invest in the talent, the innovations and the initiatives that will fulfill our province's economic potential.

Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before our committee this morning. Mr. Prue, you may begin your questions.

Mr. Michael Prue: One of the things you said was quite startling to me: that 40% of the students graduate debt-free. How is that?

Mr. Marty England: The most recent statistics are that 42% of our students graduate free of debt and that a further 7% graduate with debt of under $10,000.

There have been recent improvements in the OSAP program, with greater upfront grants to students that will mean that they need not draw on OSAP. These improvements have made a difference. Western itself is now investing approximately $50 million a year of our own resources in need-based financial aid.

We're attentive to our obligation, shared with the province, to put resources into financial aid, and it is bearing results.

Mr. Michael Prue: Is that true in other universities around? Because this is not what students and other universities come and tell us. I've never heard this before.

Mr. Marty England: We can certainly ask, via the COU, the Council of Ontario Universities. We can provide the committee with aggregate statistics. I know that we've compiled them and presented them to officials within the Ministry of Training, Colleges and Univer-

sities. Madam Chair, I can take notice of the question and take it back to my colleagues at the Council of Ontario Universities, if that's agreeable.

The Vice-Chair (Mrs. Laura Albanese): That's agreeable. That's welcome. Thank you.

Mr. Michael Prue: Ontario does not have a stellar reputation when it comes to funding its universities. It is said we're either last or second last of the 10 provinces in per capita funding. What you're telling us today, though, doesn't reflect any of that.

Mr. Marty England: It is challenging. We do deal with fewer per capita resources than other provinces. We do have higher tuition fees than some other provinces—

Mr. Michael Prue: Than all of them.

Mr. Marty England: —and it compensates, to some extent, for lower provincial operating grants. That goes to the question of balance, I think, that I put before you at the beginning. I'd like to think that it's a testament to the good work of our faculty members and our staff members that we've succeeded in producing high-quality education. I don't know how else to answer the question.

Mr. Michael Prue: Well, I think in spite of the province. Really, that's the way that I at least see it, and I know the education critic for the NDP, Mr. Marchese, sees it that way. He often stands on his feet and complains that the per capita grants are the lowest per student in Ontario, of all the provinces, and the tuition fees are the highest per student. So it would, I think, marginalize students on the poorer end of an opportunity for advanced education. That's just the way it looks to me, but you're telling me that's not the case.

Mr. Marty England: Let me respond in this way. When I said earlier that Ontario's universities agreed, as part of our contract with government, to engage in a student survey to gauge how well we're doing or whether there's improvement, it is a US-based survey, the National Survey of Student Engagement, so we can compare our results in Ontario to those of sister institutions in the United States.

While our scores at Western have been improving over the past five years—and I'd be pleased to provide evidence of that—we still fall far short of our sister institutions in the United States. We operate at about 60 cents on the dollar compared to them. I think the gap in funding is far greater for us in Ontario, when we measure our true international competitors. If you asked me what would keep me awake at night, it's that 40% gap that I think somehow we have to think about closing over time. I'm not being unrealistic and suggesting that in our current economic circumstances we can address that, but I think we have to have our eye on the future, and that's where the gap exists, Mr. Prue.

Mr. Michael Prue: Okay. I'm nervous about—

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds left.

Mr. Michael Prue: I'm nervous about where the finance minister is going to go with this, but universities obviously need some more money. Really, it's for the government to give them some or for them to get it from the private sector, which is difficult, or the most likely is to get increased tuition fees for students. Is that something that you would embrace, increased fees for students?

The Vice-Chair (Mrs. Laura Albanese): I'm sorry, but the time has expired. Sorry about that.

Mr. Michael Prue: He can say yes or no.

Mr. Marty England: I'll give a very brief answer. It's a question of balance, Madam Chair. I think Mr. Rae, in his report five years ago, noted that there is no single correct answer.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that, and thank you for your presentation this morning.

COMMUNITY LIVING TILLSONBURG

The Vice-Chair (Mrs. Laura Albanese): I now would call Community Living Tillsonburg to come forward. Good morning. You will have 10 minutes for your presentation, and that will be followed by five minutes of questioning from committee members from the government side. Please state your name for the purposes of our recording Hansard, and you may begin.

Mr. Bob Parsons: Thank you, Madam Chair, members of the committee. Thank you for the opportunity to speak here today on behalf of Community Living Tillsonburg. My name is Bob Parsons, past president of Community Living Tillsonburg, and with me is Marty Graf, chief executive officer.

We would like to begin by thanking you for the efforts of the government these past years, including the four-year funding announcement in 2007. Community Living Tillsonburg provides services for people with intellectual disabilities, and employment services for people with a wide range of disabilities. We also provide child care and early learning programs, and provide supports to children with special needs and their families.

We recognize that the government is facing serious economic challenges. Community Living has always worked with the government to make the most efficient use of public funds in addressing the needs of people who have intellectual disability, and in the provision of child care supports to children and their families in Ontario. While recognizing the current realities of the economy, our recommendations are aimed at ensuring that the supports and services we provide continue to meet the needs of the people we support and that we remain a healthy organization.

Our recommendations are as follows.

One, take action to minimize the potential for labour disruptions and reduce the impact of labour disruptions on the people with intellectual disabilities. As you visit the southwest region today, be reminded that it was in this region in 2007 that our agency, along with six other agencies, experienced strikes and labour disruptions. This year will mark three years since those strikes. A number of agencies, including ours, are faced with contracts that expire and could potentially be faced with labour

disruptions again. It is important for our sectors to experience stability and have the ability to plan for the future.

During the strikes, many people were confined to their homes. Neighbourhoods in our community were disrupted by picket lines as picketers were shouting and using megaphones and whistles. In some locations, this occurred at all hours of the day and night. While we believe workers have every right to pursue all reasonable means to achieve their labour objectives, including the right to strike under the current labour relation practices, these practices violate the rights of people who have an intellectual disability and cause significant disorientation and fear. They should be able to enjoy their own homes peacefully. This would not be tolerated for any other citizen in our society and should not be tolerated for people who have a disability. The Minister of Labour and the Minister of Community and Social Services must introduce a policy prohibiting picketing at any home of a person receiving support through developmental services. Action must be taken immediately in order to have this policy in place before people are put at risk as a result of a large number of collective agreements that come due in April 2010.

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At this critical juncture, the old way of doing business can no longer be accepted or tolerated. We believe it is imperative that, over the next several months, a new approach be put in place so that people with disabilities are not caught between the funder, the service provider and the employee. We are putting everyone on notice that we believe we are an essential service. We will be doing everything we can to ensure that the people we support are not caught in something they have no ability to affect.

Recommendation two: In this budget, there needs to be funding for the fourth year of the plan announced in 2007. The government should be working to ensure that the developmental sector will be given another four-year commitment. New investments are crucial.

A growing number of people who have an intellectual disability and their families are not receiving critical supports and services. In Oxford county alone, there are 56 people on the waiting list for accommodation supports. In most cases, you are dealing with aging parents who have taken care of their child or children for many years at home. We have to ensure that there are places or supports available when those family crises arise.

We were before you three years ago commending you that in Oxford county, there were no families on the waiting list for the special-services-at-home program. We all celebrated that achievement. As of November 2009, the special-services-at-home program in Oxford county now has a waiting list of 60 families. We know that families are healthier when they can access the supports that should be available to them, accessing respite needs and allowing their children with special needs to gain opportunities to grow and learn new skills. Again, this is just in Oxford county.

We estimate there are more than 10,000 additional people who are on waiting lists for community supports and services. These individuals and families are being put into situations of great risk. We need new investments to address these dire needs.

We're also concerned about the challenges being developed in regard to early learning and expansion of full-day kindergarten. Our resource consultants play a significant role in supporting children with special needs and their families in child care and early learning environments. We are concerned that the government plan for early learning has not planned enough for children with special needs going into full-day kindergarten. Please consider how we can work with you to make sure children get all of the services and support they need.

Recommendation three: Strengthen the Ontario disability support program. Support individuals with disabilities to live with dignity and full inclusion in their community. For many years, we have been petitioning the government to increase the ODSP income supports to ensure that people with disabilities can live with dignity and participate fully in their community. We are very interested in Breaking the Cycle: Ontario's Poverty Reduction Strategy and request that we have an opportunity to work with the government to ensure that individuals with intellectual disabilities have the opportunities and income support to contribute in a meaningful way.

As a service provider of employment supports, we have supported many individuals with disabilities in the workplace. We encourage the government to look at how these individuals can keep more of their earnings and, as the economy recovers, how we can ensure that people with disabilities are included in the workforce.

In closing, again, we want to thank the government for their efforts, and we look forward to being included in this budget process as well this year. We also know that the work of the government is to support the transformation of the developmental services sector, and we encourage you to continue with that.

Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission. I will turn it over to Mr. Ramal.

Mr. Khalil Ramal: Thank you very much for your presentation. I have questions, and my colleague on my right side has questions too, in a different area.

You mentioned the strike issue. I know it was very disturbing. I still remember that time, two years ago, when it happened in London and I guess your area. It was difficult for the residents, it was difficult for the families and it was difficult for the workers in many different aspects.

As you know, it was a big debate about the workplace. The workers defined the homes as workplaces for them, and that's why they got the right to strike and picket those homes. Also, the family was disturbed, the organization was disturbed.

What's your definition? Like, you should be striking only the offices, not the homes? What do you ask us as a government to do specifically?

Mr. Bob Parsons: Through you, Madam Chair: Sir, we would respectfully suggest to have a dialogue about this. Yes, our workers do work in some of the residences where the people that we provide care for live, but we certainly have many other workplaces. We have our corporate office and we have a number of our outreach workplaces that would make a better place for labour to represent their needs, as opposed to someone's home. I believe you would understand and agree with me that some of the people with intellectual disabilities that we provide care for don't understand these issues and feel threatened and at risk when this happens in front of their homes.

I believe that dialogue has to take place to see if we can find the right way, the balance, to allow labour to practise what they need to practise but respect the homes of the people with intellectual disabilities. Thank you.

Mr. Khalil Ramal: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Maria Van Bommel?

Mrs. Maria Van Bommel: Thank you, Chair.

I'm particularly interested in your comments about the early learning and full-day learning for four- and five-year-olds. The process is being phased in, as you well know. You talk about supports and you say that you feel there hasn't been enough planning for children with special needs. My question to you is, what do we need to do now in the schools that are going to be instituting the early learning, and what other things are you looking for in future as we phase this in throughout the province?

Mr. Bob Parsons: Marty?

Mr. Marty Graf: I think it's important to understand the role of the resource consultants in the current system. In the current system, our resource consultants will assist and support children with special needs to be able to be involved in the regular child care centres. Now that these children with special needs will be going into the classrooms, it's important to recognize that they will require some additional supports. At times it's a matter of providing some of the kind of material resources, or sometimes they do need a personal support worker with them as well, so some enhanced staffing.

I'm not sure that there's been enough attention paid to the issue. We've been trying to ensure that the issue is raised in the provincial discussions, because it is important for children. We see the value, obviously, of inclusion as they start in the child care centres, and the expectation is that there should be inclusion in the school system. So you have to recognize it's going to take additional supports to ensure that those children with special needs will be able to fully participate in the kindergarten programs.

Mrs. Maria Van Bommel: You talk about human resource supports for these special-needs children. Do you feel, then, that the schools structurally, in terms of infrastructure, are adequate at this point to be able to have these children attend the early learning and full-time JK—

Mr. Marty Graf: They should be involved and included fully. It's not the position here to be talking about our concerns about the board of education. I could give you examples where we feel children aren't being included enough in the school system already as they're moving into grade one. So we have concerns that we want to alert people to: Please make sure that you're planning for children with special needs in this major transition.

1110

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation this morning and for appearing before the committee.

COMMUNITY LIVING LONDON

The Vice-Chair (Mrs. Laura Albanese): We now call on Community Living London. Good morning. You will have up to 10 minutes for your presentation. That will be followed with up to five minutes of questioning. This rotation will go to the official opposition. Please identify yourselves for the purposes of our Hansard recording, and you may begin.

Mr. Murray Hamilton: Good morning. My name is Murray Hamilton, and I'm a volunteer with Community Living London. Participating in our presentation this morning will be Mr. J.P. Regan. He is a member of our self-advocates council, the New Vision Advocates; and also Robin Hurdle, who is a mother of a young lady with an intellectual disability.

I'd like to start off by asking the committee just to pause quietly and think about the number 10,000. When you think about the number 10,000, what does that mean to you? Does it mean 10,000 constituents that you might have helped? Or $10,000 for a project in your constituency that you would like to fund? Or 10,000 more voters that you need to win the next election? Or 10,000 more meetings that you have to attend before you retire?

When we think about 10,000, we think about 10,000 adults, 10,000 men and women with an intellectual disability who have no home of their own; 10,000 citizens of our province who are still living at home with their mothers and fathers well into their 30s, 40s, 50s and 60s, family members who are required to provide not only accommodation for their family members, which they willingly do, but also to provide all of the services and supports that those individuals require. I also want you to think of this as a growing number, because each year a number of young people graduate from high school, enter the workforce, and come to the age where they should be moving into the community and establishing lives of their own as individuals who are independent and yet they cannot do that, so their names get added to the long waiting lists across the province.

I would ask you to juxtapose this number with the number of 8,000. That was the number of people living in Ontario-operated government facilities in 1982 when the Davis government began the process of downsizing institutions, leading to the closure of these institutions in

2009, an event that we all celebrated and an event in which all parties around the table over those intervening 40 years participated. But while these 8,000 people were being moved from facilities to communities—as I say, something we all applauded—waiting lists, meantime, were building up. We have reached the point today where, while 8,000 people have been assisted to become established in the community, 10,000 more people are now waiting.

To address this issue will require a significant amount of resources. We estimate that building an adequate community infrastructure will cost more than half a billion dollars; perhaps $600 million or $700 million. Obviously this is not something that can be done quickly but it must be initiated immediately; it must be initiated in this budget. The government must begin to establish a plan to establish community living as a goal and as a realistic objective for people over the next five to 10 years.

I would like you now to listen to just one story. Robin Hurdle will tell you her story and the story of her daughter Amy.

Ms. Robin Hurdle: Dear committee members: I'm here today as the mother of a 22-year-old daughter who has an intellectual disability and to share her story and our family's story. I am also representing the over 10,000 people and families who are currently on waiting lists for developmental services and do not hold any hope for community services and supports, due to the severe lack of government funding.

My daughter Amy is a beautiful young woman who is affectionate and fun-loving: a people person who enjoys reading books, swimming, watching movies and being active. She has a severe intellectual disability and requires assistance for all her activities of daily living and constant supervision for her safety. Amy has always been a strong-willed and impulsive person who has serious temper outbursts and can be aggressive by hitting, pinching, and pulling the hair of myself, her father, her younger sisters and her support staff. Raising Amy has always been extremely challenging and exhausting. As a family, we are presently overwhelmed on a daily basis in caring for Amy at home due to a significant increase in her aggressive behaviours and demanding nature over the last three years. Everyone's safety is at risk. Amy goes to respite services a few times a year and receives some hours each week through special services at home. Since she graduated from high school in 2008, we've had to pay privately for support staff to be with Amy during the week so that I can go to work. This places an undue financial hardship on our family. Our family is physically and emotionally exhausted in caring for Amy at home.

Amy needs a group living environment where she can grow, blossom into young adulthood and explore new life experiences. She is one of 300 other people on a waiting list in London and Middlesex county alone who are waiting for residential supports. About five people a year come off this waiting list. Amy is also on another long waiting list for a day program, which has a waiting time years in length.

This is just Amy's story. The other 9,999 persons and their families will have their own unique stories about how they are seriously impacted by the waiting lists. Some of the other persons and their families are:

—young adults who have graduated from school with limited options to participate in community programs, who may only get out a few times a week. Instead, they are stuck at home and socially isolated;

—adults who require extraordinary supports on a 24-hour basis. These families qualify for very limited support in their home, and do not have any access to appropriate respite services and day programs for their sons and daughters; and

—elderly parents who have always supported their sons and daughters at home and who can no longer support them due to their increased age and health conditions.

This government needs to start taking the funding of developmental services seriously by reducing the waiting list to zero and promoting these citizens' opportunity to be fully included in their community. Individuals and their families, like ours, are in crisis now, and we need programs and services now, not years from now. Ours is not a situation that you can ignore and it will go away. Ignoring the crisis in developmental services and failing to provide the necessary funding so that families can desperately get the required residential placements, day programs and respite services they need will only cause the crisis to get worse. As parents age and eventually die, who is going to look after our children then?

Mr. Murray Hamilton: Thank you, Robin. We would like now to turn to two other issues that are of concern to people with intellectual disabilities.

First, we wish to address the critical issue of supports provided to people with intellectual disabilities through the Ontario disability support program. We were pleased with the announcement of a plan to review social assistance in Ontario. If you'll recall, this is probably the third major review of this program in the last 10 or 15 years, with no significant changes in allowances provided. There's a wide acknowledgement that the current disability income and employment support system is in desperate need of repair. A broad strategy is needed to address disincentives to employment, enable ODSP recipients to keep more of what they earn, and to enable asset-building strategies so that people can build on their own capacity to escape poverty. In a time of such economic instability, the 2010 provincial budget should, at a minimum, provide new funding to increase payments to ODSP recipients by an amount equivalent to the annual cost of living.

1120

The Vice-Chair (Mrs. Laura Albanese): You have one minute left.

Mr. Murray Hamilton: I would now ask Mr. J.P. Regan from the New Vision Advocates to address this issue of ODSP income as well.

Mr. John Paul Regan: Thank you, Murray. My name is John Paul Regan. I am the past chair of the New Vision Advocates group, supported by Community Living London.

I am here on behalf of the members of the New Vision Advocates to speak on changes we feel are needed to the Ontario disability support program. The majority of people living with an intellectual disability must rely on ODSP as their main source of income. The poverty line for people in Ontario is $15,500; the top-end payment for ODSP is approximately $12,500. This means that people who rely on ODSP are forced to live 19% below the poverty line. Even for those lucky enough to find a job, they are still only allowed to keep the first $100 of the money they make. After that, they are penalized for earning money. This means that, under the ODSP regulations, 50% of what they earn is deducted from their ODSP allowance, leaving people with no means to build their own capacity to escape poverty. Having a disability should not be a life sentence to poverty. I would like to appeal to the government to allow people who are working and receiving ODSP to keep enough of their wages to enable them to live above the poverty line.

I would like to take this opportunity to also address our concerns with picketing by workers in front of people's homes during a work stoppage. In the summer of 2007, support workers of seven community living agencies, including Community Living London, went on strike. During this strike, many people who receive support had their homes picketed. They were confined to their homes or they were forced to move. People were scared to go outside because the staff picketing would yell, swear and use noisemakers. The disruption in front of people's private homes caused neighbours to be less accepting, and homes became labelled. We know that everyone has the right to picket, but to put people who need support in the middle is wrong. We are asking that the Ministry of Labour and the Ministry of Community and Social Services develop a policy prohibiting picketing at any home of a person receiving support through developmental services.

I'm going to turn things back over to Murray, who will speak more specifically about the funding needed to avert workers going on strike.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Mr. Regan. I would like to advise you that there's only a minute and a half left for questioning. We're already in the questioning area.

Mr. Murray Hamilton: We'll finish our presentation and respond to your questions.

The Vice-Chair (Mrs. Laura Albanese): There won't be any questions if you use up the minute and a half.

Mr. Murray Hamilton: No, I'm saying we'll stop now and allow questions.

The Vice-Chair (Mrs. Laura Albanese): Oh, okay. Mr. Miller.

Mr. Norm Miller: Thank you very much. I know we have lots of questions, but we'll use the minute to ask a couple.

On the disincentive in ODSP to employment, especially when you see the province with the challenging financial situation of a $24.7-billion deficit, I know, from my perspective, it seems like bad policy to have this disincentive. What would you recommend in terms of allowing people on ODSP to earn income?

Mr. Murray Hamilton: Well, currently there's a structure that allows people to retain the first $100 of their earnings, and we would recommend that the level be increased so in fact they can retain those earnings, because this is money they require for their food, their clothing, their shelter, all of their needs of daily living. I think it's critical that we establish a mechanism that is automatic, that it isn't just left for the government to decide periodically.

Mr. Norm Miller: Have you got a level in mind? I'd just like to get it on the record. I'm certainly completely supportive of that, and I think probably my colleagues are as well, but is there a number that you think—

The Vice-Chair (Mrs. Laura Albanese): Please be concise.

Mr. Murray Hamilton: I wouldn't want to give you a number off the top of my head without having thought about it some more.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. The time has, unfortunately, expired. I want to thank you for your presentation to the committee today and I also want to thank the official opposition for allowing the presentation to conclude.

ONTARIO GRAINS AND OILSEEDS

The Vice-Chair (Mrs. Laura Albanese): I would now call on Ontario Grains and Oilseeds to come forward. You will have 10 minutes for your presentation and then up to five minutes of questioning. This rotation will go to the NDP. Please state your name for the purposes of Hansard recording, and you may begin.

Mr. Leo Guilbeault: Hello. My name is Leo Guilbeault. I'm the chairman of the Ontario Grains and Oilseeds Safety Net Committee. We represent over 28,000 farm families growing soybeans, corn, wheat, canola and edible beans from North Bay to Windsor. We represent the backbone of the economic lifeblood of rural communities throughout Ontario. Our labour innovation brings over $2.5 billion a year in food and biofuel products, but most importantly, our farmers feed Ontario cities and the world.

We understand that this has been a year of great changes and great challenges. I operate a soybean farm in Lakeshore, Ontario, which is not too far from Windsor. I know first-hand how the economic downturn has affected this province. I see the fallout from plant closures and job losses in my community every day. Ontario's 28,000 grain and oilseed farmers are no strangers to hard times. For the better part of this decade, our income has only occasionally been able to cover our costs of production. In order to keep family farms going, many producers have had to take second and third jobs to survive, and

some have just left the farm completely. That's why we banded together in search of a solution. Our solution was a risk management program or RMP, as it's known.

In 2007, the McGuinty government showed leadership and a commitment to the long-term stability of Ontario family farms by implementing RMP. It came just at the right time, as 2007 was shaping up to be one of the worst years on record for grain and oilseed farmers. I would like to take this opportunity on behalf of our members to thank the government for having the foresight and courage to implement RMP. I would also like to take this opportunity to urge the government to make RMP a permanent program. RMP is not a bailout, it's not a subsidy, and it's not a one-way cash transfer. RMP is an insurance policy against abnormally low prices. Farmers pay a premium to protect their income in case of a commodity price collapse. It is a partnership between the Ontario government and the farmers who pay the premium. The program provides bankability and predictability to a sector that suffered through negative margins in the early 2000s. This is a proactive and forward-thinking program.

In the three years since the introduction of the RMP pilot program, a lot has changed. The flight of the family farm has subsided. Before RMP was available, Ontario was losing 1,200 family farms a year, according to Statistics Canada. Many of those family farms had been operating through three generations or more, but producers just saw no hope, no reason to continue without some type of safety net for low prices driven by international subsidies.

Thanks to RMP, farmers have an important tool to plan for the future. RMP has had the support of farmers since day one and has kept that support. RMP has a retention rate of 90% in the farming community. In 2008-09, producers had a good idea that the futures prices might be higher than the RMP payout coverage and the payout would be small, but yet they still paid into the program.

1130

For the Ontario government, RMP represents good value, as the province has paid out of only 3% of the budgeted amount while providing our sector with much-needed income. The Ontario government hasn't paid a single penny in emergency ad hoc to grain and oilseed producers. Prior to RMP, these ad hoc payments were almost too little and too late. The government pays $15 million into RMP, far less than it would into any ad hoc program. Ontario even made money on the program in 2008, approximately $20 million, due to stable prices complemented by widespread farmer participation.

Farmers appreciate the leadership shown by the Ontario government for RMP. However, RMP is now set to expire and we don't know if it will continue.

The reason this program is so popular with farmers is that it gives some sense of long-term stability and ability to plan for the future after eight years of depressed world prices. In the program evaluations in November, the Ministry of Agriculture and Food noted that RMP achieved many of its immediate goals and intermediate objectives. It is acknowledged that there is a strong support among grain and oilseed producers for RMP, and there is widespread support generally for the program as a whole.

Right now, farmers are preparing their planning schedules for the spring, purchasing their seed and budgeting for their inputs, yet they don't know if RMP will continue.

Last month, farmers in Quebec received good news: Their government stepped up with a five-year commitment of $650 million to continue a similar program for most of their farm sectors, known as ASRA, l'assurance stabilisation des revenus agricoles. We hope that Ontario looks at our neighbours as an example.

We, as farmers, have done our part to make RMP a success. First, we have supported it with our own pocketbooks through premiums. Even when the prices were good in 2008-09, we still contributed to RMP, knowing that it was unlikely there would be a payout.

We have also formed a strong coalition with the Canadian Federation of Agriculture and Quebec grain and oilseed producers. Our group, the Ontario-Quebec Grain Farmers' Coalition, has been aggressively lobbying the federal government to come to the table as a partner. We have been somewhat successful. In the 2009 budget, the federal government implemented the agricultural flexibility fund to help sustain regional agricultural programs. The only problem was, business risk management schemes like RMP were excluded. We have been actively reaching out to the federal decision-makers with the goal of including Ottawa as a partner in funding our regional business risk management programs.

We have had regular correspondence with federal minister Gerry Ritz, made submissions to the federal pre-budget consultations, and appeared before the agriculture committee on BRM strategic review in mid-November. The agriculture committee at the House of Commons even passed a motion to support the BRM component of AgriFlex.

We will continue to do our part, including working with the OFA and other commodity groups to pressure the federal government to fund regional business risk management. We know this is on the agenda for the upcoming federal-provincial-territorial meeting with the agriculture ministers at the beginning of February. Everyone would like the federal government to support RMP as a partner: Farmers do, and so does the Ontario government. We are not a government, but we have spent considerable time and effort to bring the federal government on board. However, at no time was federal participation a condition of sustaining RMP.

We understand that Ontario is facing current budget challenges. We know the costs will be examined closely in the upcoming weeks as the budget gets drafted. However, the government paid $15 million into RMP, far less than it would have paid in any ad hoc emergency aid if there were no safety net programs available. It is clear that RMP saves the Ontario government money.

As we all know, agriculture is the economic backbone of rural communities throughout Ontario. It is estimated

that the direct economic impact at the farm gate is over $2.5 billion per year, and spinoff industries bring an additional $10 billion. There is even some speculation that agriculture could once again return to being the number one economic sector in this province, with the downsizing of the auto industry.

We are requesting that RMP be made a permanent program in the 2010 budget. If the program expires in 2009, as it is set to do, farmers will lose the long-term stability that the program provides.

The alternative is to go back to ad hoc payments funded for commodities and sectors that are in need. This would mean a return to stumbling from one crisis to another while the family farm continues to wither.

The important thing to remember is that RMP is a critical pillar in supporting the multi-billion dollar industry that feeds Ontario's cities and keeps rural communities thriving. It is time to make it a permanent program. Please make RMP permanent. Thank you for your time.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission this morning. The rotation calls for the NDP to start. Five minutes of questioning; Mr. Prue.

Mr. Michael Prue: Thank you very much, Mr. Guilbeault. I want to first commend the grains and oilseed farmers for coming to the Ontario Legislature this year. You had a very good reception and taught a city boy like me a few things. I was really quite impressed with all the uses that are made of grains and oilseeds. I just wanted to convey to you, so that you can tell others, that it was a worthwhile program that day.

Mr. Leo Guilbeault: Thank you.

Mr. Michael Prue: Having said that, it seems like your request is—there are only two things you're really looking for from the Ontario government. One is to continue a program that has been successful to date.

Mr. Leo Guilbeault: Yes.

Mr. Michael Prue: So it won't be increasing government costs, it will just be extending the same costs they've already been committed to the last couple of years.

Mr. Leo Guilbeault: Yes.

Mr. Michael Prue: And the second thing, I guess, is to sit around the table and convince the federal counterparts that they ought to belong to this too. Have I got that right? Those are just the two things you're looking for?

Mr. Leo Guilbeault: Yes. We're looking at making RMP a permanent program. We went through the three-year pilot project that was established between our group and the Ontario government. It was deemed successful by the review and by the Ontario government, so we're asking to make it a permanent program now.

Yes, we've been lobbying hard for the federal government to come on board as a partner. Although it never was a condition of RMP to have the federal government on board, it would be nice from our side and the Ontario government's side to have the federal dollars flow into our regional flexibility program. That's a continued lobbying effort by us and not an easy job to do, but it's something that we work at every day.

Mr. Michael Prue: Why has this been so difficult for the grain and oilseed producers? We've had supply management in other sectors of agriculture for years and every supply management system seems to work. Again, I'm a city boy, but they all seem to work from an economic background. Looking at it economically, it works for the producers, it works for the province, it works for the consumers. Why is there difficulty, why is there resistance for your group or any other group that still hasn't got supply management?

Mr. Leo Guilbeault: Good question. When the Growing Forward budget was put forward by the current government, we had put in a submission for a program called AgriFlex that would have been a complementary program to their current suite of agri-programs. They used our language, they used our ideas, they agreed with all our concepts and at the end of the day, when the 2009 federal budget was carried forward, there was a fund established for agricultural flexibility funding.

What they failed to add to that program was the business risk management component, which was a major part of our submission. We were extremely disappointed that they used our language and they used our ideas all the way through the campaign and the budgeting system, and when it came time to deliver the budget, the most important part of our submission got excluded. That's what we've been working to get back on the table with them, to get that included, because it is the backbone of the whole program.

Again, it's not a handout, it's not an ad hoc payment, it's a scheduled payment that would provide funding to the sectors that need it in that specific time frame. I mentioned that in 2008 and part of 2009, the grain and oilseeds sector did not need the funding because the markets were at a level that compensated our cost of production at a level that we needed it. Other sectors, like the livestock and the pork industries—over the last couple of years, we all know the struggles they've been going through. So that's where the funding could be flexible, to switch to those sectors instead of the grain and oilseeds sector. That's what we were trying to pitch to the federal government: Put the money where it's needed; don't just throw it out there on an ad hoc basis. Most of the time it didn't go to the right people at the right time and it wasn't the right amount of dollars.

So we're trying to make a system, not using more money, but using the current money that the government spends and spending it more wisely and in a direction that it is needed and at a time that it's needed.

Mr. Michael Prue: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your submission this morning.

Mr. Leo Guilbeault: Thank you.

PEOPLE FIRST TILLSONBURG

The Vice-Chair (Mrs. Laura Albanese): We now call People First Tillsonburg to come forward. You also

will have up to 10 minutes for your presentation and that will be followed with up to five minutes of questioning in rotation. This time we'll go to the government side. I would ask that you identify yourselves for the purposes of our Hansard recording, and you may begin.

1140

Mr. Michael Kadey: Okay. Good morning. My name is Michael Kadey. I am the vice-president of People First of Tillsonburg. Beside me is Mike Cerna, president of People First of Tillsonburg. We would like to thank you for allowing us to speak at the meeting today. With the upcoming provincial budget, we have asked for the needs of people with disabilities to be included. We are asking for a real increase in ODSP rates, as this is the only income that a large number of people have. We have to pay rent, food, clothing, transportation and household items. Often, we have extra expenses, many of which are not covered by Ontario health benefits. Whatever prescriptions the doctor gives to you should be paid for; not a substitute, but the right medication. Some eye checkups are every two years, but if we have to go for an extra one, we pay for it.

Due to the cost, we have to cut back. We are unable to pay bills. The cost of groceries is very expensive. Other people's carts are full. If I bought like them, I would have to take from the utility bill. I have to buy cheap food. Some people have to go to the food bank and you're only allowed so much. I spoke to my staff and was told that that is what you have to put up with when you are poor. People have to go to the soup kitchens for a meal. We are asking that there will be more financial rewards for individuals who work.

When we obtain a new job, we receive a $500 clothing allowance. Many of us stay at the same job for many years. We feel a clothing allowance should be given to us every year if we are working. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you. The committee truly appreciates your presentation and your submission.

I would now turn it over to Mr. Arthurs for questions.

Mr. Wayne Arthurs: I'm just going to make a quick comment of thank you, Michael and Mike, for taking the time to be here this morning and making this presentation, and turn to Mr. Ramal, who has some specific questions.

Mr. Khalil Ramal: Thank you very much for your presentation. It's very important to voice your concern to our committee. That's why our committee travels in the province of Ontario, to listen to many different constituents, stakeholders and agencies to shape our budget in the future.

As you know, we've been working hard with many different stakeholders across the province of Ontario to deal with poverty issues and the reduction of poverty issues on a review basis, on a regular basis. People like yourself, when you come to our committee and voice your concerns and outline your needs, I think play a pivotal role in order to shape the future of this province and also the future of this budget. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Any further questions? You may proceed.

Mr. Dave Levac: Michael and Mike, I'm familiar with People First. I appreciate that you actually have chapters across the province now, if I'm not mistaken. This is a grassroots organization that has no affiliation to any political party and it's a non-partisan organization that is formed from the grassroots with people themselves who are part of the group that's asking for concern and consideration.

You've mentioned a couple of specifics today, such as that while someone is working, that they continue receiving some kind of clothes allowance in order for them to maintain a professional dress.

Mr. Mike Cerna: Yes. We'd like to have the clothing allowance every year, not just as a one-time deal. I got a hockey job at the arena. I got $500 in a one-time deal. If we could change it for the people who have a disability and let them have a job where they work every day, if they like the same job, maybe the government could change the laws to put in the allowance every year, not just once in their lifetime.

Mr. Dave Levac: Right, and that would be a recommendation: that it not affect ODSP payments, that it be above and beyond.

Mr. Mike Cerna: Yes.

Mr. Dave Levac: If you have any other suggestions and recommendations that this committee should hear beyond your presentation today, we would be more than welcome to receive those so that we could make sure that the Minister of Finance sees them.

I want to thank you again.

Mr. Mike Cerna: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee. We are now recessed until 1 o'clock.

The committee recessed from 1147 to 1300.

The Vice-Chair (Mrs. Laura Albanese): The Standing Committee on Finance and Economic Affairs will come to order for our afternoon session.

NORTH LAMBTON COMMUNITY HEALTH CENTRE

The Vice-Chair (Mrs. Laura Albanese): Our first submission will come from North Lambton Community Health Centre. Please come forward. You will have 10 minutes for your presentation. That will be followed with up to five minutes of questioning that will come from the official opposition. Please identify yourself for the purposes of our Hansard recording. You may begin.

Ms. Kathy Bresett: I'm Kathy Bresett, the executive director of the North Lambton Community Health Centre.

I believe you have a presentation in front of you, inside the folder, if you'd like to follow along. It looks like this, with a bridge on the front, and it's called Bridging the Pension Gap for Community Health Centres. It's about equity and integration.

The North Lambton Community Health Centre has four sites located on the map, in Forest, Kettle and Stoney Point, Watford, and Sarnia. The next slide is a picture of our sites in those towns of Forest, West Lambton, Kettle and Stoney Point and Watford.

We are one of 75 health centres in the province of Ontario and 10 aboriginal health centres as well. We serve priority populations with barriers, and some are listed below. Those are my populations. We have a combination of rural, urban and aboriginal centres. Many of our other colleagues in the province serve new immigrants and homeless people—the marginalized and disadvantaged.

Why the health centre model works, and this is key: We've had 30 years of experience with interdisciplinary teams. The team members are listed: physicians, nurse practitioners, dietitians, registered nurses and social workers. We work collaboratively. What makes this model different is it's working with primary care, emphasizing health promotion and the social determinants of health, and it is the only primary care model where the physicians are employees and are under the LHIN's mandate; fee-for-service family health teams are not, as of yet. So that's key, going forward with the chronic disease strategies of the ministry.

There's a nice quote from Obama, because he has health centres in the States and he has been funding them quite well, knowing the health prevention and illness piece to them—so in the next slide, "Good Health for All," we have a significant investment by the ministry, and it has been very welcome, with the addition of new centres, new satellites, diabetes teams, poverty reduction strategies, a low-income dental program that's just coming up. We are the only model that holds the non-insured funding for the province for the disadvantaged with no health care funding.

Here's the key slide: "The Way It Is." There's a two-tier health care provider salary and benefits system currently in existence. The hospitals, CCACs, large organizations and the LHINs are on one side, and tier two are the community health centres and the aboriginal health centres.

The next page shows the inequity of same positions within the acute care system and our community health centre systems. For example, I took the diabetes team, which have recently been funded: On the acute care tier-one side, you can see there's a 15% to 17% difference in the same position in the health centres. More significantly so is the pension amounts. They're looking at 59% and 56%. So that's why I'm here today: to talk about the pension piece in particular, to put forward the health strategy of the ministry.

The next slide shows the ministry and the LHINs trying to get over to the communities. This is what has changed. We have to transfer services—diabetes—to the communities and improve access and barriers, but the CHCs are struggling because of the funding inequity.

The next page shows the sinking pressures I face every day, which include recruitment and retention. I've become a training ground for the other sectors. I will hire excellent staff, they'll find out that the hospital pension in HOOPP and the salary is 20% to 30% higher, and I will lose CDA-approved dietitians and nurses who have just learned excellent collaborative and interdisciplinary skills from myself.

What we need to do is to—the equity is to bring us up to par with our peers so that we can help deliver the Ministry of Health strategies, and if you start with a pension, a portable pension between the sectors will enable us to deliver these strategies. Currently, there are 155,000 members with 333 health care organizations—the LHIN being one of those, which is not a direct health care service provider, I might add—who have the HOOPP pension. If CHCs could join the HOOPP pension, you could transfer the services to the community, and acute care people, CCAC people, would come to the community to work because the pension would be transferable. That is key in delivering these diabetes initiatives. Otherwise, there's going to be nobody in the community to work.

So the gap and what it would all cost—there's a little chart: $11 million. It seems like a lot but in the big picture it isn't. That goes through 2009-10, 2010-11 and 2012. For us, it would mean increasing our benefits envelope from 20% to 22.5%, increasing the AHAC funding by the same amount, and the diabetes strategy money from the ministry is another pot of money that would require this HOOPP benefits funding.

My last slide is of a bridge which shows that by putting the HOOPP pension in place for CHCs, we would be able to and we're willing and wanting to deliver our mandate to all Ontarians. Many of our disadvantaged and vulnerable populations are utilizing emergency rooms and other parts of the social health system.

I have a picture at the back here. This is the Blue Water Bridge. This is where I come from, so that kind of ties the bridging of the gap together. I've also included in your package a quote from David Williams, who was stepping in for the medical officer of health. I just want to read this quickly to you because this describes what we do: "Root causes of illness are poverty, isolation and hopelessness. Poverty means more than a lack of money. Poverty and poorness are not the same. Poverty is much harsher. It is a disconnected place from where there is no escape.

"People can move from poorness to independence or deeper into poverty. When community supports are there, they have a much better chance of staying out of debilitating poverty." That's what CHCs do: We keep those people from going over the edge.

I thank you for your time and would like to answer any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now turn it over to Mrs. Julia Munro. The official opposition will be asking questions.

Mrs. Julia Munro: Thank you very much for bringing us something that I think many of us know, but

you've certainly done a great job of producing it graphically. I know that there are similar kinds of inequities in, for instance, the difference between children's mental health and adult mental health. Again, it's the same kind of professional requirement but a big difference in salaries.

The question that I would like to ask you is about the problem of what you identify here in terms of retention. It would seem to me that one method of demonstrating this need would be to show that when you aren't able to maintain a retention level, there are greater costs involved. I just wonder whether or not, in making the pitch, so to speak, to government, that has been part of your analysis. If you have someone who stays—and I'm guessing—18 months, 24 months, obviously there's a cost to that person's training and integration into your system. How much does it cost them to start again with someone in another 18 or 24 months? Do you have any sense of that?

Ms. Kathy Bresett: I don't have those numbers, but we could do that analysis. But it is becoming more and more frequent in the urban areas in particular. In the rural area I'm a good employer, I have many retention strategies to keep people and it's the culture of our workplace that keeps people; it's certainly not the funding. But in the urban centres the turnover rates are high, and like you say, orientation and recruitment is ongoing. So we could bring those numbers together. But that's a very good suggestion, to illustrate the current turnover rate and the vacancy rate in the province in those key positions.

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Overall, we recently did a Hay study report—we're 30% underpaid compared to the acute care sector or CCACs and whatnot, and that includes our physicians. So the whole bunch of us are under. You ask yourself: Why are those providers who are working with the most vulnerable and disadvantaged in society any less worthy of the same salary and benefits?

Mrs. Julia Munro: I understand that. I actually have one CHC in my riding, which I'm very pleased to have. It speaks to the point you made a moment ago about the fact that in a more rural setting there are other factors that would allow for a better percentage of retention—but certainly not in the urban.

The other question I had that's related to this is, these people—let's say the RNs, for instance: What kind of support have they from their own professional voice in terms of trying to help address this imbalance?

Ms. Kathy Bresett: Another good question. Many of the hospitals, the LHINs and the CCACs really don't understand what the CHC model is all about and that community nursing role and how that collaborative role is involved, even within their own professional organizations. We do have members on the nurse practitioners' executive and whatnot trying to educate people. They're constantly trying to get them to understand the whole model. So there's work that has been done—more work, for sure, to educate everyone on what the CHCs do.

Just to note, with the costs of acute care hospital funding mounting every day and the system just about ready to break—more downloading and transferring to the community for services to keep people there. We've got 90-year-old people who can't drive anymore. We've got First Nations and other farm families who don't have cars. So community services are key to good health. The social determinants of health deal with 50% of what's wrong with people. Only 25% of things that are wrong with people are medical. So if all the money is poured into the medical side and not the health promotion and prevention side, we're not going to make a dent in what needs to be done, and by the time I'm 70 years old there's not going to be too much left if we don't shift it to that preventive model.

The Vice-Chair (Mrs. Laura Albanese): The time has expired. Thank you very much for your submission this afternoon.

GREATER KITCHENER WATERLOO CHAMBER OF COMMERCE

The Vice-Chair (Mrs. Laura Albanese): I would now call on the Greater Kitchener Waterloo Chamber of Commerce. You will have 10 minutes for your presentation, and that will be followed by up to five minutes of questioning. This rotation will go to the NDP. Please identify yourself for the purposes of Hansard, and right after that, you may begin.

Mr. Art Sinclair: My name is Art Sinclair. I am a vice-president with the Greater Kitchener Waterloo Chamber of Commerce.

Thank you very much, Madam Chair and committee members, for the invitation to present our recommendations for the 2010 Ontario budget. This is something we've done for the past number of years, and we appreciate the opportunity to advance not only the interests of the Waterloo region business community, but the community at large of Waterloo region that we serve.

Prior to my recommendations for this year's budget, there are two issues that I'd like to bring forward. They're essentially good-news developments from our past submissions that have been acted on by the government.

For the past two years, one of our major recommendations has been to ask for a review of the Ministry of Health and Long-Term Care's underserviced area program for the recruitment of family physicians. We in Kitchener-Waterloo have been in an unusual position, where we have had a designation as an underserviced community, we lost it, we got it back, and then lost it again. After a series of discussions with the ministry, we felt that the solution was to ask for a review of the program and look for something more appropriate to serve the interests of the entire province. So we were quite pleased in June of this year when former Minister Caplan announced that the ministry would be undertaking a review of this particular program. We were fortunate to have a stakeholder discussion in Kitchener

with David Orazietti, your colleague the MPP for Sault Ste. Marie, and I'm sure a number of rural members here at this table had consultations and discussions with stakeholders in their communities about this important initiative. So, again, we thank the government for moving forward on this.

The ministry released a discussion paper subsequent to the announcement of the review, outlining a proposal for reform of the system. One of the major recommendations was to allow communities outside the GTA and Ottawa the freedom to recruit return-of-service physicians. Of course, as a non-designated area, we can't do that now; under the recommended proposal from the ministry, we could. So we are very much supportive of the direction that the Ministry of Health and Long-Term Care is proposing on this initiative.

The second item that I'd like to bring forward, and again this is thanks to the government: In the last year, Conestoga College and the two universities, the University of Waterloo and Wilfrid Laurier, have received some considerable funding from the federal government through the knowledge infrastructure program—the KIP—and the 2009 Ontario budget. Again, that is very beneficial for employers across our community. Conestoga College, I believe, has received almost $72 million from both the federal and provincial governments, and that will help them significantly in expanding their training capacity in all their portfolios. As employers, we feel that having that institutional capacity here in Waterloo region will aid them going forward.

Conestoga has had a remarkable record in connecting with the community, with their employers, both public and private, working with them on identifying workforce needs for now and going forward into the future. We've benefited from that and certainly from that funding from the provincial and federal governments, plus Conestoga is doing some significant institutional fundraising. That's a significant benefit for employers and the community at large, so that's a positive development as well.

Our major recommendation for this year relates to something that came out of some ongoing discussions we've had with local manufacturers in Waterloo region. A number of them have pointed out to us at the chamber that if they look at the makeup of the provincial cabinet right now, there is a Minister of Agriculture, there's a Minister of Northern Development, Mines and Forestry—of course, the forestry portfolio was just added this past summer—and there is a Minister of Tourism. Of course, in Waterloo region we have a significant manufacturing base; approximately one out of every four jobs in Waterloo region is in manufacturing. So the proposal that was brought forward to us by a number of manufacturers is, why is there not a provincial ministry of manufacturing? I think the interest in this particular proposal is in having an advocate, an individual at the cabinet table to advance the interests of the manufacturing industry. That is why we're bringing that forward for consideration at this point in time. As I mentioned before, there are a number of other industries in the province that have a stand-alone minister at the cabinet table, so we think, because of the importance of the manufacturing sector to the provincial economy, that this would be something that the province should consider in the future: a separate stand-alone ministry of manufacturing.

Our second recommendation is a follow-up to some announcements that were made in the past by the government. This past June, the Waterloo regional council voted to proceed with a light-rail transit system for Waterloo region for the cities of Kitchener, Waterloo and Cambridge. Again, that decision was based on significant commitments from the provincial government for funding. In the 2007 provincial budget document, Minister Sorbara made a commitment to provide one third provincial funding for the cost of a light-rail transit system for Waterloo region. Subsequent to that, MPP John Milloy, prior to his appointment to cabinet—this would have been June 2007—made an announcement saying that the province would provide two-thirds funding to the project. So again, we are, I guess, waiting for that commitment. I think it's a regional priority and a local priority that we move forward on this initiative so that we have the proper planning structures and infrastructure in place to ensure that growth is uniform over the next number of years, because we are, according to the Ministry of Infrastructure, going to experience significant growth across Waterloo region.

Again, thank you very much for the opportunity to present today. I would welcome any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. Mr. Prue, you may begin your questions.

Mr. Michael Prue: You have a number of recommendations here that you haven't touched on, and perhaps I should ask you: You're asking for additional funding for post-secondary education. We have had a number of people talking about that today. It conceivably could cost a lot of money, depending on what the government intends to do. Currently in Ontario, we have the lowest per capita funding of any province; our students pay the highest tuition fees. It's very difficult for many of them to go to school. Are you asking that we fund more and reduce the fees?

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Mr. Art Sinclair: I mentioned the Task Force on Competitiveness, Productivity and Economic progress from Mr. Milway, Roger Martin and their organization, the Institute for Competitiveness and Prosperity. Of course, for a number of years in their annual report they have emphasized the requirement to heavily invest in post-secondary education. However, they recognized that this year, with the constraints on government with respect to the deficit and other pressures, that may be difficult. They've taken the position that, in fact, the government should maintain that priority on post-secondary education. I think we're probably looking at it within the framework of the government announcing in the fall economic statement that they would be doing a significant review of all programs and expenditures. Within that

framework, we would advocate, and I guess this is the recommendation from the institute as well, that post-secondary education remain a priority moving forward.

Mr. Michael Prue: Okay. So that means that you would agree that the government should continue to fund it or fund it more in the future?

Mr. Art Sinclair: Sure. As I mentioned earlier, we have benefited from some significant infrastructure investments over the past year. Again, it's quite beneficial for us to see both the province and the federal government working together funding these projects and leveraging that private sector investment as well, because Conestoga College right now has undertaken a significant fundraising campaign to generate funds in addition to the money they've received through the KIP program and the provincial government as well.

Mr. Michael Prue: You made a recommendation I've never seen from a chamber of commerce, a board of trade or anything like that before, dealing with native land claims. This seems to be way outside the realm, and I wonder what made you do this. First of all, most of the native land claims are federal responsibility, save and except that Ontario is a signatory to Treaty 9 and Treaty 7 in far northern Ontario. But most of the ones in southern Ontario are federal. I'm just wondering what made you think that this was—

Mr. Art Sinclair: Well, obviously, there was an interest within a lot of our stakeholders in the community, but as I mentioned in the submission, there was a resolution passed at the annual general meeting this past year in Victoria, BC, of the Canadian Chamber of Commerce. Essentially, this is the recommendation from the Canadian Chamber of Commerce; this is Canadian Chamber of Commerce policy.

Mr. Michael Prue: Okay. So that's not necessarily coming from Kitchener-Waterloo; you're just passing this on?

Mr. Art Sinclair: Yes, I guess; sure. But there's certainly been some interest among our membership in seeing a lot of these issues resolved moving forward. We're part of the Canadian chamber; we're part of the Ontario chamber. This is Canadian Chamber of Commerce policy. This was a resolution that was presented by a chamber of commerce in Ontario. It was voted on by all chambers across Canada at the annual general meeting. It's now Canadian chamber policy. Certainly there is a component in that recommendation that involves the province and the federal government moving forward and trying to resolve these claims. It's a pretty tight time frame; it's 2020. I think everybody recognizes that as being pretty ambitious. But that was agreed upon as, I guess, reasonable at the annual general meeting this past fall of the Canadian Chamber of Commerce in Victoria, British Columbia.

Mr. Michael Prue: There's still time?

The Vice-Chair (Mrs. Laura Albanese): One minute.

Mr. Michael Prue: One minute. Okay.

You appear to be, looking at the economic situation, a little bit happier with it. You wrote here, "On a positive note, the TD Financial Group, in a November 3, 2009, report, projected that after a significant real GDP contraction of 3.3% in 2009, an increase of 2.7% is anticipated in 2010." Most of the recent things that I've seen in the last couple of weeks are downplaying that. They are saying this is going to be a protracted period before we go—do you disagree with that?

Mr. Art Sinclair: I think we're seeing a lot of positive developments. I've tried to highlight some positive developments here: the third shift at the CAMI plant in Ingersoll, the second shift at Toyota, I guess the new shift for the Buick Regal at the Oshawa plant. That's going to have a significant impact across southwestern Ontario. The Automotive Parts Manufacturers' Association has indicated that their membership sees a lot of positive developments for the coming year. That's good news for us in Waterloo region; we're a manufacturing economy.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Sorry; your time has expired.

Mr. Art Sinclair: Thank you very much.

ONTARIO ASSOCIATION OF OPTOMETRISTS

The Vice-Chair (Mrs. Laura Albanese): Now we call on the Ontario Association of Optometrists. You will have up to 10 minutes for your presentation. That will be followed by up to five minutes of questioning, and this rotation will go to the government side. Please state your name before you begin, for the purposes of our recording Hansard.

Dr. John Mastronardi: Thank you, Madam Chair. My name is Dr. John Mastronardi. I'm an optometrist practising and living in Windsor. I am the current president of the Ontario Association of Optometrists, a group representing 80% of the optometrists in Ontario. I'm pleased, as both a leader and a grassroots health care provider, to lend input to these 2010 pre-budget consultations.

Within the next couple of years, it's projected that health care spending will exceed 50% of the fiscal budget, and we have the beginning of our baby boomers entering their senior lives. Also, the number of citizens being diagnosed with type 2 diabetes is expected to continue to skyrocket.

We believe that this impending financial health care strain will require the government to continue to make decisions to spend smarter in health care so that we can get best value for our dollars while achieving optimal patient outcomes.

Vision services required by our aging population and diabetic citizens are expected to grow accordingly. New research by the CNIB, just put out last year, and the Canadian Ophthalmological Society placed the total costs of vision loss in Canada at $15.8 billion per year. This includes $8.6 billion in direct health care costs and $7.2 billion in indirect costs. Governments are bearing about 55% of those costs, including $6.3 billion paid out by

provincial governments, largely as health system expenditures.

Prevention of blindness and preservation of vision are priorities for Ontario optometrists. Comprehensive eye examinations play a crucial role in early detection and diagnosis of sight-threatening disease and, ultimately, control of costs associated with irreparable vision loss.

OAO would like to recognize the efforts made by this government to invest in eye care services that millions of Ontarians rely on each year. OAO also would like to commend this government for its ongoing commitment to education in health care. With this in mind, OAO is putting forward pre-budget advice that aims to help the government build on the progress it has made in primary care and work towards its commitment to improving patient care and outcomes.

I'd like to focus on three recommendations. Number one is that the government continue to work proactively with the association to incorporate optometric services as part of a comprehensive diabetes strategy. In the decade between 1995 and 2005, the prevalence of diabetes in Ontario increased by 70%, and we're expected to hit 1.2 million this year.

Diabetes and its complications drive a substantial portion of medical resource utilization. While family physicians are vital in working with patients to control diabetes, preventive eye care services provided by optometrists preserve sight and help minimize the costs of future health care services.

Within 20 years of onset, the majority of patients with diabetes will develop diabetic retinopathy, the leading cause of blindness among Canadians between ages 30 and 69.

In October 2009, in co-operation with the Ontario Medical Association's section of ophthalmology, the OAO developed guidelines for collaborative management of persons with diabetes by eye care professionals. The document recognizes the pivotal role that optometrists play and, when fully implemented, has the potential to realize substantial health care savings.

Currently, a majority of family physicians in Ontario refer their patients with diabetes for annual vision assessments to ophthalmologists instead of optometrists, costing the system a 55% premium. In Ontario there's one optometrist for every 8,600 residents, compared to one ophthalmologist for every 32,000 residents. We are also present in about 220 towns and cities across the province, making our services very accessible.

This newly developed collaborative guideline encourages physicians to refer diabetic patients directly to optometrists, who will then monitor these patients annually and, at the appropriate time, refer only those in need of treatment to an ophthalmologist. This collaborative model of triaging allows for optimal patient accessibility to eye care resources in a cost-effective manner.

Optometrists must be a critical component of any comprehensive strategy aimed at addressing the impacts of diabetes and managing the growing epidemic.

Given the Ontario government's commitment to developing a comprehensive diabetes strategy, OAO is calling for the government to provide additional funding to meet this demand and ensure that optometric services remain available to those in need.

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Second, we'd like to discuss a recommendation for the government to extend optometrists' scope of practice, including prescribing therapeutic agents. This issue has been going on for a number of years. We feel we're getting close, but we're not quite there yet. We'd like to thank the government in 2007 for changing our act to allow optometrists to prescribe medication to treat eye disease and conditions. The decision to expand the role of optometrists will assist the government in realizing cost savings by enabling Ontarians to seek treatment from highly qualified, lower-cost, health care providers for a variety of conditions, including conjunctivitis, iritis and glaucoma.

I'd like to give an example to illustrate the ineffective utilization of health care spending and how, hopefully, these changes will help rectify that. Currently, if a patient comes into my office with an eye infection seeking treatment, I cannot write them a prescription for the required antibiotic drops. I must either refer them directly to an ophthalmologist, if one is available—costing the system an additional 150% in costs—or to a family physician, who will then refer to an ophthalmologist, costing the system an additional 200% increase in costs, or refer directly to the emergency room, costing the system a 500% increase, assuming they receive the proper care.

Unfortunately, the regulations which would enable optometrists to issue prescriptions for drug treatments have not yet been passed in Ontario, and we remain the last jurisdiction in North America to not have these privileges. So OAO is calling on the government to fulfill its promise to extend the legislated scope of practice of Ontario's optometrists to prescribe therapeutic pharmaceutical agents by expeditiously reviewing and approving proposed draft regulations.

Last, our third request is that the government ensure patient access to primary eye care services. We're doing our part to help the government move out of deficit. In November, we agreed, with a couple of important exceptions, to the government's requests to defer negotiations on new funding for OHIP-insured services, as our current agreement is set to expire March 31, 2010.

I'd like to take the opportunity to discuss the important exceptions, though. Even as the government has promised increased access to eye care services by extending our scope and allowing us to prescribe, policy decisions are being made that undermine these efforts, funnelling patients back to higher-cost providers. In the area of primary eye care, there are examples of services which, when provided by an ophthalmologist, are publicly insured. However, when provided by an optometrist, they're not. By making this decision in 2009 to fund optical coherence tomography, OCT, when performed by ophthalmologists, the government has made this level of diagnostic testing for monitoring

diseases such as glaucoma and macular degeneration the standard of care. By eventually giving us the regulations to treat glaucoma but not the funding for the standard-of-care procedures, the time, effort and years that went into getting new regulations in place would yield very little change in reducing wait times and saving government money.

Further, in 2008, the government insured low-vision assessments and services for the visually impaired only when provided by ophthalmologists, in spite of the fact that optometrists provide the majority of these services. This inequitable funding of treatment and services creates a two-tier system where patients are required to pay in order to access care in a timely manner or be sent to a higher-cost provider.

So the OAO believes that the Ministry of Health should review all publicly insured eye care services provided by physicians and optometrists and ensure that equitable reimbursement conditions exist for those services offered by both professions, in the interest of providing better public health care services to Ontarians, particularly in rural and northern parts of the province. Broadening the provider pool would not increase the number of services required by Ontarians; however, it would ensure that care, necessary to save vision and maximize eyesight, is accessible to all Ontarians.

The Ontario Association of Optometrists is calling on the Ontario government to work to ensure that health care policy decisions are made in the best interests of Ontario patients and to fund health care service, not the provider.

I thank you again for this opportunity to speak here today, and I'd welcome to field any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your submission. I will now turn it over to Mr. Ramal.

Mr. Khalil Ramal: My first question: How come you're not wearing glasses? I'm only joking.

Dr. John Mastronardi: I've had laser eye surgery.

Mr. Khalil Ramal: Thank you very much for your presentation. I think you guys do an excellent job across the province of Ontario. I've attended many sessions of your organization that have educated me on the need for your service in the province of Ontario.

But this is my question here: You talk about optometrists and ophthalmologists—there's a difference between both of them. Your organization fought very hard to protect the boundary—when the opticians tried to enter your boundary, you fought very hard. How do you expect ophthalmologists to accept your taking their boundary? As you know, every different specialization has a certain area to service. So how can you justify your actions to pass that area?

Dr. John Mastronardi: We do have the training; it's been well documented and proven that we have the training for this. And we have, as I mentioned earlier, accessibility, with optometrists spread throughout the province, and we don't have that same spread of ophthalmology. So we have many members who don't have access to ophthalmology to make referrals for a patient who comes in with something as simple as conjunctivitis.

Mr. Khalil Ramal: You're saying that the education would be similar? It's the same thing? There's no difference between the ophthalmologist and the optometrist?

Dr. John Mastronardi: In terms of training for pharmaceutical treatment, it is actually very similar. The overall programs go different routes, but the actual pharmaceutical background is very similar.

Mr. Khalil Ramal: You don't think this issue should be discussed and debated and be agreed on within the medical profession instead of the government?

Dr. John Mastronardi: It has been for years, and that's why we are the last jurisdiction in North America to not have these privileges. Optometrists are allowed to prescribe everywhere in North America.

The only school for optometry is the University of Waterloo. It is in Ontario where this training occurs. There are no other schools where optometry is taught in English. There's a school in Montreal. So the training occurs there and the optometrists are sent throughout the country, where they can utilize their education. So there's no difference in optometry training or education in other provinces. They're all trained in Ontario.

Mr. Khalil Ramal: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that. That concludes our time.

CHRISTIAN FARMERS FEDERATION OF ONTARIO

The Vice-Chair (Mrs. Laura Albanese): I will now call on the Christian Farmers Federation of Ontario. Please come forward. You will have up to 10 minutes for your presentation. That will be followed by up to five minutes of questions by the official opposition in this rotation. Please state your name for the purposes of our Hansard recording, and after that, you may begin any time.

Mr. Henry Stevens: Thank you, Madam Chair. My name is Henry Stevens, and I'm the president of the Christian Farmers Federation of Ontario. With me today is John Clement, our general manager.

Good afternoon, ladies and gentlemen. The Christian Farmers Federation, as some of you may know—I recognize some rural faces around the table here—is the second-largest general farm organization representing farmers in Ontario. We represent approximately 4,300 farm families right across the province, from east to west and north to south.

We want to thank the standing committee for allowing us a few moments to share our thoughts on where the provincial government should be focusing its finances in the year ahead. While we recognize that this is not a year where new spending initiatives should be undertaken lightly, there is at least one program that farmers in this province need today, and several areas where it is critical that your government's support be maintained.

I want to talk first about the new business risk management program for agriculture that has been developed and has been sent on to the minister within the past week. The most critical need for agriculture at this time is provincial funding for a business risk program that is based around the cost of production for all non-supply managed sectors of agriculture. Primary agriculture is the foundation of arguably the largest and most important private sector industry in this province. Many facets of that foundation are on the verge of collapsing after years of loss and a suite of current support programs that cannot help with a sustained downturn such as we've experienced in the last number of years.

It is critical for our government to recognize just how many other industries benefit from a healthy primary agricultural sector and the sheer number of jobs that could be impacted.

First, there is the supporting infrastructure that enables farmers to do their business. A few examples of these are the feed mills, the equipment dealerships, the fertilizer suppliers, a substantial portion of the trucking industry as well as the banking institutions that supply capital to our farmers. These service industries all translate into jobs for Ontario citizens.

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The processing and further processing sectors in this province also provide a substantial number of urban jobs that help keep our cities prosperous.

Ontario has built one of the largest and best further processing clusters in North America. This important sector is threatened when farmers cannot supply these clusters due to high input costs that cannot always be recovered from the marketplace.

We need to ensure that processing facilities are kept in Ontario and don't migrate to areas where the remaining farmers are located. Failing to maintain the underpinning primary production that is the basis for the food processing sector could lead to the long-term loss of thousands of jobs for both rural and urban residents.

We would ask that our provincial government step forward and provide the leadership and support that our agriculture industries need to thrive in the coming years. We truly believe that a healthy primary agriculture system will result in a healthy and prosperous Ontario.

The Christian Farmers Federation of Ontario is very appreciative of government funding from both the federal and provincial coffers that has allowed some of Ontario's processing plants to make improvements to their facilities. This cost-shared investment approach is vital to keeping our processing sector on the cutting edge and viable in the long term. The CFFO wants to encourage our government to maintain this level of support moving forward.

The Christian Farmers Federation of Ontario also appreciates that funding was made available to producers on environmental and food traceability initiatives through the federal-provincial joint funding under Growing Forward. The Canada-Ontario environmental farm plan and the food safety and traceability initiatives are two strong examples of the government providing incentives and support for meeting Ontario's needs. In 2009, these programs were quickly subscribed.

Maintaining support for these programs is critical for Ontario's farmers. However, the food safety and traceability initiative would provide a greater boost for farmers if additional funding were allocated. Alternatively, the funds allocated for 2011 or 2012 for this project could be advanced to 2010, as pressure from other parts of the supply chain have made this a critical issue for the coming year.

The CFFO also recognizes that in a time of high government deficits, cost cutting will come into play somewhere down the line, but we would hope that the provincial government does not turn its eye towards cutting back on the support of—or necessarily the total number of—rural schools and hospitals and other rural infrastructure that is so vital to our communities. It is critical that we recognize that rural is different from urban, and the same rules should not be applied to one as to the other. In rural communities, our institutions are often the heart of the community and have an overriding importance in our lives.

Thank you. I would be open to questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. Mr. Arnott, you may go ahead.

Mr. Ted Arnott: Thank you, Mr. Stevens, for your outstanding presentation. As always, Christian Farmers has offered a very thoughtful, constructive presentation for the consideration of this committee, and we do appreciate it.

I know my colleagues have questions as well, and I'll turn over the microphone at this point to my colleague from Haldimand–Norfolk, Mr. Barrett.

Mr. Toby Barrett: Thank you for the presentation from the Christian Farmers. Just looking at the first subtitle here, "A New Business Risk Management Program for Agriculture"—I know so many meetings have been going on recently. I've certainly been attending grains and oilseeds meetings and meetings with cattlemen, and risk management seems to dominate the discussion. Are the Christian Farmers part of those meetings—

Mr. Henry Stevens: Yes, we were.

Mr. Toby Barrett: Okay, good. You seem to have two parallel problems. We know the three-year pilot has wrapped up for cash-crop fellows, and there doesn't seem to be a guarantee, certainly not from the most recently past Minister of Agriculture, as far as either extending the risk management program for grains and oilseeds or making it permanent. The issue has been raised of the federal government putting in a 60% share for what they refer to as a companion program. Any thoughts on how we can get around this or where things are heading?

Mr. Henry Stevens: It would certainly be good if we could get the federal government to come onside and provide their 60% funding, which, as you mentioned, they did not do for the grains and oilseeds pilot project either. We have made a commitment to—initially it was

Minister Dombrowsky, but with the change last week, it was addressed to Minister Mitchell that we are committed to helping her pressure the federal government to come onside with this. I'm not optimistic that the feds will come onside at this time, but we're certainly going to pressure them to. If the feds do not come onside, we are certainly going to hold the province to its responsibilities in terms of supporting agriculture in this province.

Mr. Toby Barrett: I understand that on that pilot, the federal government made it clear, I guess more than three years ago, that they wouldn't be funding any companion programs across the country.

Also, when I attend cattlemen's meetings—tough times there, as with hogs and many of our horticultural crops—again, their goal is a risk management program, I am assuming, somewhat modelled on the cash crop three-year pilot. Could you comment on that as well? There's no question in my mind, with what we've seen with the hog industry and the cattle industry, that we've got to have something. There has to be some stability there, to be able to plan. We know which way the costs of production go; it's usually up. Any comments as far as those commodities?

Mr. Henry Stevens: As I mentioned earlier, this program is intended for all non-supply-managed sectors in agriculture. For those of you who are not sure of that, supply-managed sectors are the dairy and the feather industries, which have their quotas and their border protections, so they have a built-in cost of production there. The other sectors, like pork and beef and horticulture and veal and sheep and others, do not have any kind of cost of production built into their pricing system, and they cannot get it out of the marketplace as a result.

So, definitely, the parameters of the program we're talking about are designed for all of those sectors, to be able to benefit from it. Each sector, on its own, will have a different methodology for arriving at their cost of production and the benefits out of the program. But the general guidelines are intended for everybody to be part of the program.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds left.

Mrs. Julia Munro: Two issues: one, with regard to the processing sector. You say here, "on the cutting edge and viable in the long term." Are there issues around regulatory burden and the issue of critical mass? Do either of those come into play on this particular topic?

Mr. Henry Stevens: Regulatory burdens have definitely played a role in the loss of small processing facilities, small abattoirs, around the province over the last number of years, simply because the small abattoirs cannot afford to make the changes that CFIA and the health departments have forced on them to stay in business. So they've shut the doors. It has really hurt us in rural Ontario.

The Vice-Chair (Mrs. Laura Albanese): Sorry, the time has expired. I thank you for your submission.

FEDERATION OF THE SISTERS OF ST. JOSEPH OF CANADA

The Vice-Chair (Mrs. Laura Albanese): I would now ask the Canadian federation of Sisters of St. Joseph to come forward for their presentation. You will have 10 minutes for that, followed by up to five minutes of questioning. The questioning will go to the NDP on this rotation. Please identify yourself before you start for the purposes of our Hansard recording. You may begin.

Sister Sue Wilson: Good afternoon. I'm Sue Wilson. I am very pleased to be able to present on behalf of the Canadian federation of Sisters of St. Joseph. We evaluate public policy from the perspective of Christian faith, which means that we're paying particular attention to the values that are expressed in these policies.

With regard to the upcoming budget, we're looking for budget decision-making that reflects values of solidarity, hope and a heightened concern for people living in poverty. We believe that attentiveness to such values is critical for growing strong, resilient communities.

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Food banks report that over the past year, there has been a sharp increase in the number of Ontarians who need to access food banks just to get by. On average, these households are spending 65% of their income on shelter and utilities and they're foregoing necessary medical and dental care.

Now, I don't know about you, but I can't imagine how I would be productive in such circumstances, and so I really wasn't all that surprised when I saw a Nate Laurie study on the cost of poverty. He concluded that the estimated social cost of poverty in Ontario is $11.8 billion per year, and that figure goes much higher when private costs of poverty are included.

Eliminating poverty is not only a moral imperative, it makes good economic sense. And so the first point I'd like to make with regard to the deficit is that a strong poverty reduction strategy both supports and complements the government's efforts to move out of deficit.

Now I'd like to comment on some aspects of Bill 218, just as a way of highlighting some poverty-related concerns. In general, we were pleased to see that the government has designed the new tax package in a way that protects the interests of Ontarians who live on low incomes. Even so, it would have been preferable if HST offsets had been weighted more heavily toward tax credits rather than combining them with income tax reductions. Since property and sales tax credits are designed in a way that benefits lower-income taxpayers, we recommend that the government consider increasing the refundable sales and property tax credits as a means of working toward Ontario's poverty reduction goals.

On the other hand, personal income tax reductions are problematic because the benefits increase as income rises, and because those with incomes too low to pay income tax don't even benefit from the reductions in tax brackets and rates.

Personal income tax reductions also undermine the government's capacity to create the strong public ser-

vices that are foundational for sustainable communities. High-income earners don't need the benefits of these reductions. Instead, if that money stayed in government purses, it could go toward very necessary coverage of dental care, prescription drugs and vision care for those who don't have jobs that provide extended health insurance. Likewise, further investment is needed in child care, social assistance and affordable housing strategy, to name just a few areas.

Rather than a reduction in tax brackets and rates, the government could have chosen to use refundable income tax credits. Because these are typically of fixed value, they're of more benefit to those on low incomes, and if they're refundable, they're paid to those with no taxable incomes.

It's also problematic that the HST offsets are all delivered through the tax system, since then they're available only to those who file tax returns. This makes it very important that the government support an outreach initiative through community-based agencies to ensure maximum participation for people with low incomes and others who may tend not to file tax returns.

In addition, it will be very important that the government monitor the overall impact of this tax package on low- and modest-income households to ensure that they are indeed having the anticipated effects.

While we appreciate the government's desire to increase job creation in Ontario, we question whether the corporate income tax rate cut is the best vehicle for this. These rate cuts are not directly tied to job creation and in many instances may not contribute to job creation.

One of the problems over the last two decades is that increased corporate profits often did not translate into increased investments back into the business for expansion and job growth.

Finally, we want to end on a note to emphasize that to us it seems very important that governments do not participate in spreading the cultural message that taxes are a negative reality. As you know, taxes enable us to create important public goods which benefit all of us—goods ranging from health care to education and training, recreation and public transit. We need to focus more cultural attention here.

In summary, it seems to us that we have a choice: We can invest now to create strong, resilient and sustainable communities, or we can continue to pay the very high social costs of poverty and unsustainable living patterns. It seems to me that if we focus on what is good for Ontario communities as a whole, in the long term, we will choose a strong focus on eliminating poverty.

Thank you again for this opportunity, and I welcome any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this afternoon. I would now turn it over to the government side.

Mr. Kevin Daniel Flynn: It's Mike's turn.

The Vice-Chair (Mrs. Laura Albanese): I'm sorry. My mistake.

Mr. Michael Prue: I'm still here.

The Vice-Chair (Mrs. Laura Albanese): You're right. My mistake.

Mr. Michael Prue: I've been crowded out here a little.

The Vice-Chair (Mrs. Laura Albanese): Mr. Prue, you may proceed.

Mr. Michael Prue: Thank you. You didn't touch on this in your presentation, but I had an opportunity to read it very quickly before you sat down. The HST may be problematic—and you didn't say anything—in terms of First Nations communities. They currently are exempt from PST if they live on reserve, but they will not be exempt when HST comes in. So literally everything that they buy is going up 8%, and they are amongst our poorest people, particularly those in isolated northern communities. What should the government be doing about this?

Sister Sue Wilson: Well, that's one of the groups that I was alluding to when I made the point that, really, using the tax vehicle is not the best way to be getting money back into the hands of people. We would prefer to see credits that will go to folks who are not paying income tax. What exactly those vehicles are, I would leave to the government to decide, but the income tax vehicles don't seem to be the most effective for people who are marginalized, who are already living in poverty.

Mr. Michael Prue: I do know, unfortunately, that a great many First Nations people living in isolated communities don't file income tax in the first place. We also have huge swaths of people who do not file income tax too. I'm thinking here about illegal immigrants and others—

Sister Sue Wilson: Exactly—people who live on the street, people who live in shelters.

Mr. Michael Prue: So the cost of the HST will be borne in its entirety by them, because there's no vehicle to get them money back. What should the government do in these cases? Obviously, they want to do it by income tax; that's not going to work. Is there anything else? You have suggested that it's not going to work and you're right, but what can they do? Do you have a solution for them?

Sister Sue Wilson: I don't have a particular solution. The point I would want to make is that the income tax route is not the best route to go.

Mr. Michael Prue: Other provinces chose other things. In the east coast, they reduced the provincial portion when they combined them by 3%, so that that was borne more or less equally. But again, these kinds of taxes aren't fair. They're not like income tax: They're not graduated. They're harsher on the poor.

Sister Sue Wilson: Exactly.

Mr. Michael Prue: Would it be preferable if the government reduced the rate so that at least some people at the real margins of society would get some benefit? I'm just trying to think here. You've made an outstanding point which isn't often heard.

Sister Sue Wilson: Certainly reducing the rate would help. I think it's much better to find vehicles that are

outside of the income tax framework, since that framework itself is one that marginalized groups are not necessarily participating in.

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Mr. Michael Prue: You also said something which we don't often hear: that governments are reluctant to discuss increasing taxes of any kind. They occasionally do, but they would never campaign on that.

Laughter.

Mr. Michael Prue: And it's true, isn't it? You laugh over there, but it's true.

This government made a whole big thing in the last budget about the taxes that were decreased, particularly to business and to others who tend to have more money. Is that the way we should be going, or should we be looking at those who are affluent, or at those organizations, and expecting increased taxes to get the economy moving again and alleviate poverty?

Sister Sue Wilson: I definitely think that the government and all politicians need to be much more attentive to the narratives that they're telling around taxes. I find it quite odd that politicians who have the responsibility of making sure that the common good exists and that we have these shared public goods are always acting as though taxes were a very bad thing. I would encourage you to create a different narrative to help create a vision that the people of Ontario can buy into. In the response to Haiti, we've seen that people are willing to give quite a bit of themselves if they feel that it's for something worthwhile.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee this afternoon.

TOWN OF TILLSONBURG

The Vice-Chair (Mrs. Laura Albanese): I would now call on the town of Tillsonburg and the mayor of Tillsonburg to come forward. Good afternoon. You will have 10 minutes for your presentation. That will be followed by up to five minutes of questioning by the government side. I shall state it before so that we avoid any confusion. If you could please identify yourself for the purposes of Hansard recording, after that you may begin.

Mr. Stephen Molnar: My name is Stephen Molnar. I'm proud to be the mayor of the town of Tillsonburg.

The Vice-Chair (Mrs. Laura Albanese): Go ahead.

Mr. Stephen Molnar: Thank you very much. On behalf of the corporation of the town of Tillsonburg and the 16,000 residents of our community, I wish to express my appreciation for the opportunity to present our thoughts and ideas as part of the 2010 pre-budget consultations. The opportunity to dialogue and confer with our senior partners is most vital as we work together for the benefit of our common constituents. I'm pleased to be joined here today by our new CAO, Ms. Kelley Coulter, and to her left, our director of finance, Mr. Darrell Eddington.

The focus of our presentation today shall be based on three salient points: grant funding stabilization, proactive intergovernmental communications, and economic development and growth. Prior to discussing these salient points, it may prove valuable to provide a very brief economic synopsis and brief summary about our community. I know a number of you have visited Tillsonburg in the past, and I'll bring a little reflection of that back here to your attendance today. We're located in the heart of Ontario's tobacco belt and have been experiencing these impacts related to the decline in the industry for a number of years. Community leadership has focused on greater diversification in recent years, primarily in the automotive sector. Although the loss of the tobacco industry continues to be a significant concern, a number of these other key sectors are now being stressed. The employment losses within the automotive sector have been significant, while tourism has also been negatively impacted by the strength of the Canadian dollar and high fuel prices.

Based on the most recent statistics, the town of Tillsonburg has experienced greater than 1,000 layoffs in the manufacturing and industrial sector alone. In 2006, Tillsonburg's manufacturing sector accounted for 28% of our total employment versus the provincial average of 14%. This is something that we're proud of and we've built the strength of our community and region upon. In good times, things are good, but in bad times we suffer greatly. These factors have contributed to a regional unemployment rate that peaked at 10.9% in August 2009 and has abated somewhat to 9.8%, which is still roughly one point greater that the provincial average. We are committed to continuing to develop a vibrant local and regional economy, and it is for that reason that I sit here with you today.

The town of Tillsonburg has a legacy of self-sufficiency in operations. We have been recognized as leaders in the introduction and implementation of a responsible asset management plan once referred to by former federal infrastructure minister John Godfrey as "a model for all communities." We have historically reached out with a hand in partnership and not for a handout, requesting specific one-time support. We remain committed to a provincial policy that respects all municipalities and that provides for funding formulas that contain three key ingredients. The message is equity, sustainability and transparency.

The Ontario municipal partnership fund, as an extension of the original CRF, or community reinvestment fund, has been a small portion of our annual financial budget. We have adopted annual business plans that have assisted us to proactively define potential partnerships. To this end, we are continually grateful for the province's commitment.

The town has historically received $345,000 in OMPF funding, as first introduced in 2005. We were notified, as were all other municipalities in the province, that this isn't stable funding but it will be revised as time goes on.

Our community's budgeting process began in September 2009. I believe this is what a proactive community

does. Our budgets and business plans are focused so that they're adopted as our blueprint in the year prior to when we're going to use that material. That's a responsible business plan. On December 15, the town was notified that effective with the 2010 provincial budget, the additional transitional assistance guarantee would be minimal to 80% of the OMPF allocation. While appreciative of this revenue and respectful of that abatement that has occurred in an entire elimination of the resource, the reduction has altered our projections significantly.

One of the comments off-text is: Communication on a timely basis and to still focus on partnership and responsibility and know that we're in this together, but equity amongst all municipalities, large and small, urban and rural, is a key focus group to understand that we have the capacity to stand on our own when we're given the same balanced approach that all other municipalities in the province have.

As we've stated in other presentations that I've been proud to join with some of the members here present—at Good Roads and at AMO opportunities in the past as well—there are a number of areas surrounding grant funding stabilization that would assist all municipalities. In this area, transparent and stable funding to support proactive solutions for communities with existing environmental risks, such as uncapped wellheads, would be a positive initiative. Just ensuring existing programs are utilized appropriately would represent a significant first step.

For example, not so long ago MNR appreciated the provincial importance for well-capping and provided both financial and technical assistance towards solution implementation. We encourage the analysis of this type of program. We encourage the fact that a program exists, that it's rolled out to those who need it so that we can work in partnership. We, as a community, have demonstrated our opportunity to come to the table with the resources in partnership to satisfy an outstanding situation which we share with the MNR and the natural resources of our region.

In a similar vein, the provincial gas tax initiative has not served small urban municipalities equitably. The program assists the large urban centres in their service delivery model, for which the province should be applauded. I travel to Toronto and the large urban centres and I utilize the transit. I support and endorse the fact that there is a larger part of our provincial dollars that go there because that's driving our economy. A strong, large urban centre, a strong Toronto, drives our economy. But there is a large, significant piece of the small urban environment that requires connectivity. A great part of our transit system is built on our roads and our bridges and on the backs of the men and women who contribute to our communities. So we'd like to see a greater emphasis on equity rolled out to all municipalities, especially for the provincial gas tax, which was introduced, I believe through the Ministry of the Environment, to protect ozone; it got rolled into the Ministry of Transportation.

Our community is one that actually got out of the transit business just at the advent of this new program because it wasn't sustainable. We made a business decision to get out of the business because its impact on taxation was costing around $70,000.

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If we had now equitable amounts that other municipalities that stayed in the business had, we would have a self-supporting system which actually would have supported two or three of the organizations that have spoken in front of you today who are key partners in that initiative—speaking to Community Living Tillsonburg and People First—to get people around our community.

I'm looking at my own watch, and I'm here to keep you on schedule. I hope you will respect and read all the material that has been provided to your attention today.

The town of Tillsonburg has appreciated the historical support that has come from the provincial government.

I did want to touch upon the values that have been created with your ServiceOntario menu. We encourage expansion of that. Most recently, my exposure to buy-Ontario and the program as it's being rolled out in the hospital, health care and educational format is that there's great value in that, but we need to expand, learn from it and make those things available in the municipal sector so that our common constituents can all share in those values together. It also has to be done from the ground up. It has to be done through communication, through events like today, through real, intensive listening.

I'm going to close very briefly and allow time for questions on our economic growth, because these are the things that we really want to focus on. It's highlighting again—and a lot of the members in this room are aware of that. I recognize and I will officially, in text, recognize the contributions of OMAFRA historically and welcome the new leadership as it's coming along and Madam Dombrowsky for all that she has contributed, and Maria as well, in her time there, and new Minister Mitchell, who has come up through there and done a great job.

OMAFRA have been great supporters of the SCOR initiative, which actually began in the town of Tillsonburg with a group of mayors who were struggling for a way to look outside our borders to find a common ground. MPP Barrett would know this well. It came from the fact that we all collectively have to look beyond our borders and find new opportunities in working in partnership with each other. It came from a small, urban municipality that said, "We can't do this alone, but what we have to be able to do is rebuild that rural economy so that our stores and our downtowns can become strong for that next generation."

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Mr. Stephen Molnar: I want to positively thank and congratulate for those and suggest that we still have much more to do.

As I thank you for your time and I leave you, the final comment that I would make is to promote and enhance that great communication and partnership. I know it's in here. But if we're open for business in the province of

Ontario—and I know we are—I do reference that when we're dealing with C of A's from the Ministry of the Environment—

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Mr. Stephen Molnar: —that something that should take nine weeks—this is just a positive comment that working together, we can get people back to work, assessments started and taxation flowing to the province of Ontario. I do very much appreciate the opportunity to be here today.

The Vice-Chair (Mrs. Laura Albanese): We'll turn it over for questions to MPP Van Bommel, and we'll have four minutes for questions.

Mrs. Maria Van Bommel: Thank you very much, Mayor Molnar. I want to go back to your whole section on economic development, because certainly in rural communities that has been a big challenge, for Tillsonburg especially. I mean, most people, when they think of Tillsonburg, think of Stompin' Tom's song about Tillsonburg and remember your history in tobacco. But since that time, you've also had to reinvent yourselves. You've done that as an individual community, but also, as you say, as part of partnerships with communities surrounding.

I notice in your presentation you talk not only about SCOR but you also talk about SWEA.

Mr. Stephen Molnar: A very key component across southwestern Ontario.

Mrs. Maria Van Bommel: Would you just elaborate a little bit more on SWEA as well and your involvement with SWEA?

Mr. Stephen Molnar: As I look around the room, a number here were at an all-party opportunity hosted by SWEA, Southwest Economic Alliance. London, Sarnia and Windsor were kind of the impetus for that. Mayor Dan Mathieson of Stratford is the current chair. SWEA is an economic development model that has been derived to encompass most of the southwestern Ontario region. It will fit as a complementary economic development model to, say, eastern Ontario, FedNor and some of these other agencies. It's a complement to the work that we do in SCOR on a more regional basis. SCOR actually developed naturally and has been quick. We actually now have the approval of all five counties, as the senior partners, to incorporate. That's just going through the legal channels now. SWEA, I believe, with its support, is wider, more into governance and those things, which I know that you've been involved in and we appreciate your support.

Mrs. Maria Van Bommel: In terms of economic development, a big part for rural communities is becoming the whole issue of broadband and access to broadband. Where is Tillsonburg in respect to that?

Mr. Stephen Molnar: Tillsonburg actually holds international medals regarding information technology. We revised our entire business concept of how to run a community in 2000. It was based on the investment in IT. You'll still see the complement and the financial value of doing that. We're reviewing that to ensure that we remain atop. We're fully connected, and people like Telus and Rogers and Bell have used our community as business case models for new products in wireless and for land lines. In promoting the region and as we look beyond to the Norfolks, the Elgins and the Brants, what we're looking at is connectivity to ensure that there's seamless transition for economic development, because only when we rejuvenate the rural economy do we absolutely get to bring back those resources into our downtown core to stabilize the things that were drawn out when we lost so much in the last decade.

Mrs. Maria Van Bommel: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Any more? You have 30 seconds.

Mr. Dave Levac: Thirty seconds?

The Vice-Chair (Mrs. Laura Albanese): Yes.

Mr. Dave Levac: I'm glad you mentioned Brant. There you go.

Your Worship, thank you for the work that you're doing. I do acknowledge and thank you for SCOR. There are some good ideas coming out of the organization and some practical applications locally but also at the provincial level. I've made it part of my business as well to make sure that all the ministries are capable of understanding the nuances of the collaborative nature. I congratulate you and thank you for that. I will continue to encourage other areas to do the same. There's got to be a better way to do this. You're inventing some of it, and we appreciate the efforts that you and your whole organization are making to get there.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee.

Mr. Stephen Molnar: And thank you for being patient with me, Madam Chair. When I expanded the font, I didn't think that would take me longer to read. I'm sorry.

ONTARIO AGRICULTURE SUSTAINABILITY COALITION

The Vice-Chair (Mrs. Laura Albanese): Now I call on the Ontario Agriculture Sustainability Coalition. Good afternoon. I'll remind you that you will have 10 minutes for your presentation, and that will be followed by five minutes of questioning by the official opposition. Please state your name into the record for the purposes of our Hansard recording. You may begin.

Ms. Bette Jean Crews: I am Bette Jean Crews, president of the Ontario Federation of Agriculture, and accompanying me is Jason Bent, farm policy researcher.

The Ontario Federation of Agriculture appreciates the opportunity to address the standing committee to outline the priorities of the farm business community in advance of the next Ontario budget.

The OFA is Canada's largest farm organization, representing the interests of over 38,000 farm family businesses. OFA's policy positions are developed and adopted by members through its elected regional and at-large directors that sit on the OFA board of directors. The

OFA also works in partnership with many other Ontario agricultural organizations.

In October 2009, the OFA, along with the Ontario commodity organizations representing the grains and oilseeds, edible horticulture and livestock sectors, came together to form the Ontario Agriculture Sustainability Coalition, OASC, because of a shared concern over the future sustainability of agriculture in the province. The coalition members of OASC have worked hard to assess the business risk management needs of Ontario farmers and developed recommendations to ensure agriculture in the province remains sustainable.

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Before outlining OASC's business risk management recommendations, I would like to comment on the Ministry of Finance's recently released publication entitled Ontario's Long-Term Report on the Economy. It is noted in this publication that "agriculture is important to the Ontario economy and forms the economic backbone of many rural communities." We fully agree with this statement.

The publication also states that there is a "strong base for agri-food expansion." But how strong is this base? There is no question that the economic strength of our agricultural sector has weakened over the past year, and further erosion will occur if left unchecked. The higher Canadian dollar, the global economic slowdown and the new trade barriers stifling Canadian agricultural exports pose challenges to Canadian farmers.

Competition from domestic and international sources is supported by those governments to the detriment of Ontario farmers. Agriculture and Agri-Food Canada's total Ontario farm income forecast for 2009 was a \$143.5-million loss, compared to a \$1.25-billion profit for all Canadian farms. It is clearly evident that Ontario farms are facing some unique challenges.

For instance, Ontario's livestock sector is shrinking at a greater rate than in other provinces. Government policies, while meeting some other policy objectives, have raised Ontario farm production costs. Unfortunately for many food commodities, farmgate prices have not kept pace with cost increases. The reality is that Ontario's local food supply is threatened. Farmers cannot stay in business with negative margins for long, and many are idling their farms or leaving farming altogether. Farmers need a commitment from both the federal government and the Ontario government to secure local food production for Ontario's future. And investment in agriculture is good for the economy and the environment and is a smart, least-cost way of preserving jobs and local services in rural communities.

If provided the right economic stimulus, the agricultural sector can contribute significantly to the financial health of the Ontario economy. History has shown us that government investment in agriculture provides positive dividends for both agriculture and the general population. The right economic stimulus package for agriculture, in our view, should contain both government budgetary expenditures and the government's commitment to work with the agricultural community to address government policies that negatively affect or impede agriculture.

The Ontario Agriculture Sustainability Coalition has concluded that the current Growing Forward suite of joint federal-provincial agricultural programs, including AgriStability, are flawed and in many ways dysfunctional in helping farmers to cope with the prolonged deterioration in business margins that they have experienced. Reforms to the AgriStability program are needed. OASC's recommended changes are outlined in our document.

OASC, with the technical assistance from Ontario Ministry of Agriculture, Food and Rural Affairs staff, has also developed a premium-based business risk management program proposal that would give farmers the ability to insure against market prices falling below production costs. Farmers need a business risk management program that allows them to cover all or a portion of their costs of production.

Essentially, we are asking that the Ontario government build on the success of the three-year pilot risk management program for the grains and oilseeds sector, by making it a permanent plan under the business risk management program, and to create plans for other commodities under terms and timing that make sense for each commodity. In concert with these reforms to sustain the industry, the current crisis in agriculture must be addressed and stabilized. It will not be acceptable to only improve the prospects of future farmers without helping current farmers to survive. The situation in Ontario's horticulture and livestock industries is quite dire, and implementing these AgriStability reforms and a BRMP retroactively, encompassing 2008 for AgriStability and 2009 for BRMP, is urgently required. This investment is estimated to be valued at \$200 million.

In Canada, agriculture has traditionally been treated as a joint federal-provincial policy area. The Growing Forward policy framework and its predecessor had been funded on a 60-40 federal-provincial basis. OASC believes its proposal should be funded on the traditional formula basis. However, because of the urgent need in Ontario, the provincial government must commit its share of funding regardless of whether the federal government funds the program.

The Vice-Chair (Mrs. Laura Albanese): Pardon me. I just wanted to bring to your attention that you have less than three minutes left for your presentation and I see that you have more than eight pages, so you might want to summarize.

Ms. Bette Jean Crews: Okay.

Our document also highlights other Ontario budget requests, including the Ontario food producer and processor donation tax credit proposed by the Ontario Association of Food Banks, and the need for beginning farmer programs. The OFA believes that providing services and programs specifically designed for young farmers and new entrants to the industry is an important action item, especially considering that according to the 2006 census, the average age among Ontario farmers is 53.

Agricultural research funding would be well spent to research on-farm energy production and development, among other things. The OFA is actively pursuing the development of a biomass industry to meet the deadline for the end of coal in producing electricity. The three-year deadline for the initiation of a biomass fuel industry is short in agronomic terms but one we can meet if we initiate an aggressive process of research and planning. Until agreements are in place, farmers are unlikely to establish perennial crops that are exclusively suitable for biomass production.

Wildlife damage is another critical concern to farmers. Ontario's farmers are facing ever-increasing evidence of damage to crops, livestock and poultry, and property by a range of wildlife. Our document speaks to those concerns. Our document also calls for the development of market mechanisms to compensate farmers for ecological goods and services they provide to society. Farmers provide benefits to the public in providing food safety systems, environmental stewardship initiatives and preservation of the rural landscape. Currently, farmers bear the costs associated with providing these benefits without receiving compensation.

The OFA recognizes the need for fiscal restraint in Ontario. The current global economic downturn potential for negative growth in Ontario has certainly limited the scope of fiscal policy. Circumstances emphasize the need to ensure policies and regulations are smart and harmonized to encourage innovation and maximize economic activity.

The Ontario government must establish a regulatory environment that promotes innovation and profitability in the agricultural sector. Minor revisions to some regulations could go a long way to help farmers. For example, beginning farmers currently can't get a farm business registration. And we would support a change to allow Ontario fruit wine sales at Ontario's farmers' markets. Our document also has a section on property tax assessment issues. We would welcome the opportunity to meet with the government to discuss these ongoing issues.

To conclude, governments need to take immediate action to preserve local food production. Farmers need to be able to make long-term plans if they are to be successful. Investing in agriculture pays dividends. It will grow our economy. Agriculture—

The Vice-Chair (Mrs. Laura Albanese): Thank you. Sorry.

Ms. Bette Jean Crews: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. I will now turn it over to Mr. Barrett for questions.

Mr. Toby Barrett: Mr. Miller first.

The Vice-Chair (Mrs. Laura Albanese): Or Mr. Miller.

Mr. Norm Miller: Thank you for your presentation today. My colleagues have questions as well, but I happened to meet with the Ontario Cattlemen's Association for Nipissing-Parry Sound just last weekend. One of their big issues was predation occurring mainly by wolves. Now, of course, we're fairly near to Algonquin Park. In all the municipalities, counties and townships around Algonquin Park wolf hunting was banned a number of years back. They say there has been a significant increase in predation in the last seven years. I guess I wondered if that's unique to my area or whether you're hearing from your members about similar problems. They also described problems with getting compensated when there is predation, because they have to be able to find the animal and often they aren't able to find it because it's dragged off somewhere.

Ms. Bette Jean Crews: We are hearing that this is a problem across the province. The list of animals counted as predators is not relevant to current predators. The list of livestock is not relevant to current livestock that are produced on farms. There is nothing to cover crops, as well. So the predation issue is a huge one across the province, and we've done some work on it. I do believe that's in our presentation, and we have some solutions.

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We'd actually asked for an update to the 25-year-old schedule of payment for livestock that are covered. It's a little out of date.

Mr. Norm Miller: Thank you. I know other members have questions.

The Vice-Chair (Mrs. Laura Albanese): Mr. Barrett.

Mr. Toby Barrett: Very quickly, I know we covered much of the risk-management program in a previous deputation. I am convinced that's a very important imitative and we have to pull that off. To their credit, many of the farm meetings this winter have been reporting to the membership on that. It's kind of a day-by-day, hopefully positive, development.

The food donation tax credit—I find this very interesting. Have you done any research at all on the US food stamp program? Is that something we should be looking at in Ontario or Canada?

Ms. Bette Jean Crews: No, I'm sorry, I have no—

Mr. Toby Barrett: I just wondered. With the allocation of resources to, say, lower-income people that should go to food and rent, sometimes it goes for other things. Like this hotel: If you go in the washroom, there's a place where you put your used needle after you've hit up. You know, they get used inappropriately. So by designation, I just think there's merit in that and maybe we should take a look at food stamps.

Ms. Bette Jean Crews: Mr. Barrett, speaking to the tax credit for donations to food banks, this would help compensate farmers for the cost of actually assembling this or getting it to the food bank. There's even something in that program that will put some resources towards gathering up what is left in the fields and not used.

Mr. Toby Barrett: Yes.

The beginning farmer program—many have been following the travails of a fellow named Wayne Bartels, a beginning hog farmer, who has lost perhaps millions of dollars now, two or three years into the industry. Any comment on that? We have a situation where you expect

government to help beginning farmers. He has, regrettably, gone the other way, to the tune of millions.

Ms. Bette Jean Crews: The industry is at a crossroads right now. We really are in a crisis. That's why what is in our presentation is so essential to the industry right now. There are young people who want to go into agriculture. If you ask me the one thing that we can do to get young people into agriculture: Make the industry profitable and predictable.

Mr. Toby Barrett: Much of those of us who own farms or land provide scenery and what have you, trees and clean water for others who maybe don't own the land. You have a title here, Ecological Goods and Services, the ALUS program, alternate land use services. Has there been significant government support for this concept?

Ms. Bette Jean Crews: I believe that there was some government support for the pilot for ALUS. It is one in the equation of good programs for EG&S benefits to farmers. But agriculture is touched by almost every ministry, mostly because farmers own most of the private land in the province. We are so impacted by every ministry and every bit of regulation that comes out. That very much relates to the stewardship that we do, the environmental services that we do as part of our normal farm practices. They are now beginning to cost us significant amounts of money, and we need some program and some attention paid to the fact of what we are contributing to this country.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation this afternoon. The time, unfortunately, has expired.

SARNIA-LAMBTON HEALTH COALITION

The Vice-Chair (Mrs. Laura Albanese): I would now call on the Sarnia-Lambton Health Coalition to come forward. Good afternoon. You will have 10 minutes for your presentation, and that will be followed by five minutes of questioning. Please identify yourself for the purposes of our Hansard recording. You may begin.

Ms. Helen Havlik: Thank you very much. I have provided you with hard copies, I believe 25. I don't intend to read all of this, because it's way over 10 minutes. I'm just going to highlight some of the things.

My name is Helen Havlik. I am a retired director of nursing from a small hospital, which is the hospital in Petrolia. I retired in 1992. I know a little bit about running hospitals. I took the courses that were offered in administration of hospitals. I believe that I understand how a hospital works and I'm worried that they're not working the way they're supposed to. I'd like to ask the question: What is a hospital for? Does anybody know what a hospital is for? I think we've lost the thread of that, and that's what I'm trying to get you to understand: What is a hospital for?

We are members of the Ontario Health Coalition, as you see the address there on the front. The first page is just going to explain to you who they represent. It's a coalition, and it is a large group of people. People seem to think that we're in the hands of the unions, but it's not just the unions. The unions are a part of it, but there are a lot of other organizations.

On the next page, you'll see the key issues of the problem that we're facing: evidence that hospital funding is unsustainable. I understand we don't have a lot of money, and I'm here to tell you how to save it, okay? Inadequate hospital funding is offloading onto privatization, restructuring is creating new costs—and I'll explain that to you—and there's a disconnect between infrastructure planning and service planning, which creates confusion and wasting of funds. The provincial government's approach to hospital funding is at odds with the values and priorities of Ontarians, and it has been undertaken without appropriate public consultation and in the absence of proper parliamentary process that should provide public input.

The next page is talking about how the shrinking of the funding to hospitals has occurred over the last 20 years. It shows it very graphically there. It has just been shrinking, declining as a share of the provincial health budget. We're told, "Oh, health care is taking too much money out of the budget," blah, blah, blah. That's not true—according to our statistics, at any rate. That graph will show you that.

On the next page, the hospital global budgets are running at less than inflation, forcing cuts. Privatization: I'm sorry to say that this government and subsequent governments want to privatize the health care system, and it's being insidiously done. People have no clue about what's happening, and we see it all the time. We see the Bayshore home care group, which is a for-profit group, and what they've done is, instead of coming to your home and giving you home care, you have to go to a clinic now. Is that not duplication? They make you go to a clinic. They make the people in Petrolia drive to Sarnia to a clinic. Is that home care? Is that care in your home? I'd say that it's not, and it's costing money. Those people signed a contract, and I want to know if there's fraud involved, because if they are charging the same money to make you come to a clinic that they would charge if they came into your home, I consider that fraud. I have no evidence of that, but the fact that they make you drive means your cost of going from your home right after your surgery—and I can give you examples of that—out of the hospital the same day, going to the clinic and having your dressing changed, and having your nursing care done at the clinic. That is not home care; that's not what CCAC was set up for. So, bad: privatization. That's a private company making a profit off the backs of people, and I abhor that. I think it is awful, and that we are allowing it to happen is ludicrous. That's one thing of how money is being wasted.

Eighty-three per cent of Ontario's small hospitals—that's on the next page, and the Petrolia hospital was in that group. If they had greater than 1,500 cases—they were providing obstetrics, and the general practitioners in

our area were providing obstetrics. Talk about quality of care and whatnot. If you've been practising medicine for 20 years, how many obstetrical patients have you looked after? It's all about the numbers: Have you done enough obstetrical cases? If you've been a general practitioner for 20 years, I would assume that you've done enough obstetrical cases and you know when you have a problem and you know to send that patient somewhere else because you're not going to be able to deal with them. They know that; they do that. But what happened was that our obstetrical department was closed and the general practitioners who wanted to do that service were not allowed to do it. The obstetrical literature does not suggest the full-scale regionalization of obstetrics, which is what has been happening now and been tried to do. Rather, it suggests the regionalization of high-risk births while encouraging local uncomplicated deliveries and the maintenance of local expertise. That's what we should be doing. It's the high-risk that should be amalgamated and sent to another, not the run-of-the-mill obstetrical that you could do in your own home with a nurse or a midwife. Give me a break. What's wrong with having the doctor in the hospital doing that ordinary obstetrical case? No, it's not good enough; centralize it.

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"Nonetheless, the committee's findings"—that was the committee that was looking at obstetrics—"and their review of the research show that the use of quality and 'critical mass' should not be misused as an excuse to centralize services and fundamentally erode the role of small hospitals because such centralization holds significant implications and risks for patients." Instead of shortening the risk for patients, you're actually making it worse.

I don't like that whole thing about critical mass and quality; it's a red herring. It's a red herring that's not true. It's not true that you can't get good care in a small and rural hospital. In the emergency department, your patient will be stabilized and sent to an area where he can get the proper treatment. The doctors in small and rural hospitals know how to stabilize patients; they know how to give them good care.

The centralization of services is a threat to small and rural hospitals, and that's what we're complaining about. I know that the committee that's looking at that, which the government has set up, is not having public hearings. Guess what? The Ontario Health Coalition is going to have public hearings. They're going to start in March, and we're going to listen to the public. If that committee doesn't want to listen to the public, we are going to listen to the public.

The general trend is towards cutting and restructuring services across entire LHINs or regions. This is similar to the Harris-era restructuring, but this time service rationalization is much deeper since hospitals have already been restructured for more than 15 years. Our small, rural hospital was amalgamated with Sarnia Hospital and became Bluewater Health—not even named "hospital." We want our hospital name back because we are a hospital. We want to be a hospital; we intend to provide the services that hospitals provide.

Current plans affect local services from birthing to emergency departments to surgeries. Our surgery was cut out, our two small surgical rooms. We can't do surgery anymore; they've cut it out. You wait now in Sarnia. We had a consultant say that with our hospital emergency, we should do ordinary surgery. We had the expertise. We had the room. We had the state-of-the-art equipment. No, they cut it; they took it out. We can't do surgeries any more, so these surgeries occur—

The Vice-Chair (Mrs. Laura Albanese): I just want to advise you that you have about a minute left.

Ms. Helen Havlik: Okay. I'll move on, then. The next part is about the auditor saying that this P3 business has cost money. Actually, the restructuring cost \$3.9 billion. That was \$1.8 billion more than was expected. You didn't save any money by restructuring what Harris said to restructure—no money was saved. As a matter of fact, it cost you money.

I'm going to move on. You can read all this. We have information.

Instability and failure to plan for health human resources: That is a problem. You should be planning for human resources, not cutting beds. I never nursed a bed in my whole life that I was a nurse. I never nursed a bed; I nursed patients in the bed. So you can cut all the beds you want, cut all the emergency departments you want; the fact of the matter is the patients are still there. So I just want to read that last little paragraph. It's very short.

The Vice-Chair (Mrs. Laura Albanese): Please be concise because the time has expired.

Mr. Michael Prue: It's okay; I'll give up some of my time.

The Vice-Chair (Mrs. Laura Albanese): Okay.

Ms. Helen Havlik: Thank you. When decisions are made about health promotion, disease prevention, diagnosis, treatment, patient care and rehabilitation that are not based on clinical research, medical and surgical clinical needs and scientific data but on cost-cutting measures, restructuring of hospitals and administrative egos, wasteful spending will result. Delayed diagnostic results, duplication of services, lack of continuity, untimely intervention and the use of consultants and mistakes will cause wasteful spending of money and unnecessary physical suffering.

Highly paid administrators and management staff who cannot run a hospital by meeting the needs of professional staff and therefore patients—they require consultants, PR people, communication experts etc.—should be replaced by CEOs and managers who can do the job. You don't need a consultant; if you know how to run a hospital, you don't need a consultant. In so doing, facilitate good patient care rather than make decisions which put roadblocks in the efficient delivery of care and that put the patient at risk, thereby causing confusion, delays and higher costs, not to mention patient suffering. Closing ER departments, cutting beds and laying off staff

does not result in fewer patients but in delayed patient care, which, in the end, is costing more money.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that. Mr. Prue, you'll have about three minutes and a half for questions.

Mr. Michael Prue: Thank you very much for your deputation. It's a good thing that you're here, because this morning we had two groups—one was the London Chamber of Commerce, and the other one surprised me: the London Health Sciences Centre and St. Joseph's Health Care, who both advocated for more privatization in our hospitals. You're up against some pretty big guns here.

Ms. Helen Havlik: Some pretty big guns. That's right.

Mr. Michael Prue: They made statements that are diametrically opposed to what you make. They said that health costs were escalating at an enormous proportion and that they were no longer sustainable. You're saying, in fact, that that's not the case; that the hospitals have actually gone down as a percentage over the years.

Ms. Helen Havlik: It's wasting the money. You wasted it on eHealth. We need electronic records, but we haven't got them yet. So that continuity is lost. The continuity is lost because the doctors can't talk to each other. You can't do something in a private lab and have the doctor get those results on the computer. That doesn't happen. What are we using the computer for if you can't have that efficiency? The doctor cannot get those results on his computer, so what good is that? Now you have to get a paper result and you have to input it into the computer. It's a waste. Money is being wasted. Somebody needs to run this system that knows how to run it—knows how to run a hospital, knows what a hospital is for.

I can give you an example. A woman came to our emergency department with pain in her abdomen. She got pain medication and was sent home. You know why? There was no bed to admit her to. When I was a nurse, we would have admitted her to a bed and figured out what was going on with her. If the doctor couldn't figure it out, the surgeon would have come in and done an incision—opened her up and saw what the problem was. No, she got sent home four times—four times with pain medication—and nothing was resolved until finally she said, "I'm not going home. You have to do something for me." What did she have? A nine-pound hernia in her abdomen, with the bowel ready to be incarcerated into that hernia. She would have died. Have you saved money by sending her home instead of looking after the problem the first time around?

People are going home and then have to be readmitted to the hospital because they're not ready to go home. They're not in a position to go home, and they haven't got home care either.

Mr. Michael Prue: I just want to ask you about the closure of the hospitals. When I opened up this morning's Globe and Mail, the province's Ombudsman is launching a probe into those hospital closings. I support what he's doing because we had people come yesterday in Niagara Falls to talk about the closure of the Fort Erie and the Port Colborne—

Ms. Helen Havlik: And two patients died.

Mr. Michael Prue: And two patients died. Should the province, should the Liberal government, be closing down smaller hospitals?

Ms. Helen Havlik: No.

Mr. Michael Prue: Should they be listening to the LHINs that they set up?

Ms. Helen Havlik: No, we should not. Actually, today the LHINs are having a meeting in Chatham, and they're going to look at that Hay report that said to close emergency in Leamington, close emergency in Petrolia, close emergency in Wallaceburg—that's what the Hay report says—and turn them into urgent care centres.

People are going to die. People have died. Time is of the essence. If you close those hospitals, the ambulance can take you to Sarnia. But you know what? You're 20 minutes on the outskirts of the city and you have to navigate those streets and those lights to get to the hospital, which is closer to the river than it is to Petrolia. All the people who live in Oil Springs and Alvinston and all our rural people—it's going to take them an hour to get there. You can't afford an hour. People will die. The emergency department in our hospital has saved lives, has been able to stabilize patients and send them for definitive—why can't you let the care that patients need happen?

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The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission this afternoon. We really appreciate it.

Ms. Helen Havlik: Thank you. Yes, I am passionate about it, because I see bad things happening.

COALITION OF ONTARIO PSYCHIATRISTS

The Vice-Chair (Mrs. Laura Albanese): I would now ask the Coalition of Ontario Psychiatrists to come forward. Good afternoon. You will have 10 minutes for your presentation, which will be followed by five minutes of questioning. Please state your name for the purposes of our recording Hansard. Right after that, you may begin your presentation.

Dr. Desi Brownstone: I'd like to thank you for the opportunity to speak with you today regarding mental health and addictions and the budgetary process.

My name is Desi Brownstone. I'm a psychiatrist practising in my own office here in London. I'm the current chair of the Ontario Medical Association section on psychiatry. I'm also a co-chair of the Coalition of Ontario Psychiatrists.

The Coalition of Ontario Psychiatrists is a formal partnership of the Ontario Psychiatric Association and the section on psychiatry of the Ontario Medical Association. It is concerned with the provision of high-quality mental health services for all Ontarians who need them.

The Coalition of Ontario Psychiatrists represents the 1,900 psychiatrists in the province of Ontario.

Emotional illnesses and addictions cause a great deal of suffering for persons with them and for their families as well. Last summer, the previous Minister of Health, Minister Caplan, released the discussion document Every Door Is the Right Door. In it, the financial costs of emotional disorders and addictions are cited. In the year 2000, $29 billion was lost in productivity. The estimate would be much higher for 2010. These are just the loss costs; these are not the costs of treatment etc. The paper notes that for every $1 spent on mental health and addictions, $7 are saved in health costs and $30 are saved in lost productivity and social costs.

The situation with regard to treating emotional disorders and addictions is further complicated by the fact that Ontario is second-last among the provinces in per capita spending on mental health and addictions, that this has been underfunded for many, many years, that more treatment resources are needed, and that there has been a shortage of psychiatrists for many years as well.

The psychiatrists in our province have witnessed what happens when budget cuts occur, whether these are within institutions or larger budgets. Within hospitals, the outpatient services that used to be available many years ago no longer exist, and the consequences are devastating.

I'll give you a local example. In the mid- to late 1990s, the outpatient psychotherapy service, a successful program at St. Joseph's Hospital, was cut as a cost-saving measure. Following this is when my own waiting list for providing treatment went from four to six months to over a year, and has never gotten shorter. More to the point, perhaps, following this is when the numbers of the homeless, addicted and inadequately housed in this city grew tremendously.

Another example is the results of the Health Services Restructuring Commission. The commission set very low bed targets for general hospitals and provincial psychiatric hospitals. They set these targets contingent on setting up treatment and rehabilitation programs in communities. Since the report was accepted by government, beds have indeed been cut to the levels recommended. This puts pressure on the hospitals to "get them in and get them out." However, the treatment and rehabilitation programs in communities have never been set up, ostensibly because of a lack of funds. Many communities have noted an increase in problems with homeless people and persons with addictions. The obvious question is, once services or beds are cut and people suffering from emotional disorders or addictions are sent out into communities, then what?

The plea of the Coalition of Ontario Psychiatrists is that in tackling the province's deficit, funds for mental health and addiction treatment, rehabilitation and housing be protected. The social and financial costs of further cuts are simply too great. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation. I will now turn it to MPP Flynn for questions.

Mr. Kevin Daniel Flynn: Thank you, Dr. Brownstone, for your presentation.

I chair the Select Committee on Mental Health and Addictions in the province of Ontario. It was actually the brainchild of a member of the opposition, Christine Elliott. It has been an excellent exercise. Both opposition parties and the government, I think, have put all their partisanship aside and are trying to bring forward a report to the Legislature that we hope will be the first step toward correcting something that we all agree has been in need of attention for some time.

As you move through this as a layperson, you learn a lot and you hear a lot of stories that you wish you weren't hearing, but some things stand out. The one that stands out is that when we were in Kingston, the former chief of psychiatry at Kingston General Hospital came forward and said, "People talk about a lack of psychiatrists in the Kingston community, and I'm here to tell you today"—I'm paraphrasing what he said—"that there is no lack of psychiatrists. What there is is a lack of psychiatrists who will see patients. Most of the psychiatrists in Kingston are at Queen's University doing research." So, since that day, I've been on this personal investigation. You tell me there are 1,900 trained psychiatrists in the province. Is that practising psychiatrists, or is that people who have received their accreditation and may be practising or may not be?

Dr. Desi Brownstone: That would be more or less an estimate. It's hard to get an accurate figure, first of all. Second of all, those would be the people who are paying dues to the OMA. They get OHIP dollars. That does not state that they're in full-time practice, part-time practice, research, administration.

I quite sympathize with your frustration. Some years ago, I tried to ascertain how many psychiatrists there are within London. I got the lists from the OMA, from the College of Physicians and Surgeons, as well as just the lists of who were supposedly psychiatrists at LPH. None of the lists were accurate. They all had people who were dead or retired. The hospitals included family doctors who were substituting for psychiatrists. Some people, myself included, were listed more than once. I do sessionals at the InterCommunity Health Centre, so I have two offices; I was listed twice. Some people were listed four times. So it's hard to get a full idea of how many people are in full-time practice.

Mr. Kevin Daniel Flynn: How much time do I have?

The Vice-Chair (Mrs. Laura Albanese): Two minutes.

Mr. Kevin Daniel Flynn: The reason that was given in the Kingston example is that psychiatrists can make more money at Queen's than they can seeing patients. In your experience, would that be an accurate statement?

Dr. Desi Brownstone: I don't think so.

Mr. Kevin Daniel Flynn: Well, that's good news.

Dr. Desi Brownstone: I don't know if they're referring to the alternate payment plan there or not. I don't know the details of that. I'd be really surprised if there's any particular place that pays psychiatrists so hugely that they don't want to do any work.

Mr. Kevin Daniel Flynn: Just by way of example, apparently there are 40 trained psychiatrists in Kingston, and less than five will see a patient. I found that startling.

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Dr. Desi Brownstone: I do too.

Mr. Kevin Daniel Flynn: Okay. I'll keep my mini-investigation going. You've helped a little bit.

Dr. Desi Brownstone: Part of the issue may be that being a teaching centre, they have people who serve more than one master—teaching, research, administration and clinical duties.

Mr. Kevin Daniel Flynn: Yes, because clearly, what's coming out of the hearings is that a family confronts an issue they didn't expect to confront. Either they experience some sort of a mental health issue themselves or somebody in the family does and then they get told they have to wait a year. A year may as well be never when you're in that situation.

Dr. Desi Brownstone: Right.

Mr. Kevin Daniel Flynn: Am I out of time?

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): Thank you for taking the time to appear before the committee this afternoon.

Dr. Desi Brownstone: No other questions?

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission.

SOUTH COAST GROW ME GREEN ENERGY ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We will now call on the South Coast Grow Me Green Energy Association to come forward. Good afternoon. You will have 10 minutes for your presentation. That will be followed by five minutes of questioning. This rotation goes to the official opposition. Please state your name into the record before you begin for the purposes of our Hansard recording.

Ms. Linda Vandendriessche: Yes, good afternoon. My name is Linda Vandendriessche. I'm the treasurer of our association. Beside me is John Dumanski, who is the actual chair.

I think many of you know both of us through the tobacco industry. We're former tobacco growers and belonged to the Ontario Flue-Cured Tobacco Growers' Marketing Board in the past. We're here today to tell you a bit about a new venture that a group of us are looking at.

I'd like to tell you a bit of the history of the Norfolk sand plain. We're home to about 200,000-plus acres of non-food based land. In the early 1900s the area was basically a dustbowl. Now, many of you probably know that. The light, sandy soils were susceptible to both wind and water erosion. There was a need for a transition at that time and tobacco came into the picture. Now the industry has changed again; tobacco is coming out of the picture. Therefore we have significant acres of land that are available for change. Soil erosion begins to surface again as fewer and fewer cover crops are being planted. There are different practices in farming today than there were in the past, which prompted us to look for a crop that was both environmentally friendly and would preserve our sensitive soils.

The challenges of the sand plain: The sizes of our farms are approximately 125 to 150 acres. We have the sandy soil that requires irrigation and fertilization. Corn and beans are not sustainable on our land, for we have lower yields. We have been trying to find an alternative for decades and we don't want to upset the delicate balance of the existing vegetable and fruit markets that we have in our area. We have restricted agricultural uses and we have a very sensitive water aquifer.

The South Coast Grow Me Green Energy Association: We consist of five members and we have formed a not-for-profit association. Prior to exiting tobacco production, we began searching for alternatives. We saw potential in the biomass market, the tall grass prairie. We have a mission. Our mission is to keep farmers on their land, preserve the small family farm, retain farmland values and preserve and protect our environment. I don't know if you all have the document but there is a picture of a one-year prairie grass stand on page—well, you wouldn't have my document, but you'll see it on the front page of your document. That's a first-year stand. That is very significant in our area.

I'll tell you the history of the tall grass prairie. It's a blend of native grasses found in Ontario, consisting of switchgrass, big bluestem and Indian grasses. These are remnants of these grasses that were here 1,000 years ago and are still here in very small areas. Tall grass prairie has been threatened by urban development and agricultural practices. Seventy-seven million hectares of tall grass prairie once thrived in North America. There is less than 5% remaining in North America, and only 2% in Ontario. These grasses are non-invasive. They are native to Ontario.

The tall grass prairie is a mix of grasses which is known as a polyculture. Polyculture provides more consistent yields and creates a more stable and steady supply. We have over 300 acres of tall grass prairie already established in Norfolk and Oxford counties. The yield data that we have, we've pulled some grass off and we found that it will yield about five to eight tonnes per acre. It grows approximately seven feet high. It is drought-resistant; therefore there's no need for irrigation, saving the precious water that we have. It is highly adapted to our sensitive soils: It will grow better in a sand soil than it will in a very hearty, loamy soil. It is also a perennial crop, so once you've established this crop, it could last 1,000 years if you really wanted it to. We as farmers would like to see something as productive as 20 years.

The carbon capture: This is a very interesting section of what we're trying to do. The tall grass prairie captures approximately four tonnes of carbon per hectare per year,

the only crop being considered as carbon-negative. Farmers put in crops and they can be carbon-neutral or carbon-positive, but this particular crop is carbon-negative. The roots grow 12 to 14 feet deep, and they sequester carbon deep into the soil. Approximately 30% of the roots die off each year, so the cycle will start again: Each year, these roots will suck up four tonnes of carbon under the ground. It's efficient and it's a filter. Now, I will say that it captures 40% more energy than corn does when it's burned. It's more highly efficient.

I have a picture, and I think you might have it in your document as well, of the root system of tall grass prairie. When we plant tall grass prairie, we like to include forbs and flowers along with it. The reason for that is that if you plant something like sunflower and—

Mr. John Dumanski: Wild timothy.

Ms. Linda Vandendriessche: —wild timothy and a few of the others—Queen Anne's lace, black-eyed Susans, some of those flowers—they are a natural fertilizer, okay? Therefore, no fertilizer is required on these grasses. So imagine: You go out, you plant your crop, you leave it there; you don't have to irrigate, you don't have to fertilize. You have natural processes taking place.

The benefits of the transition of the sand plain: We have a large amount of non-food-based marginal land available on the sand plain. That consists of five counties—and many of you know this, coming from the area that we're talking about. It will provide a secure and stable supply of energy. We will keep our farmers on their land. They will be able to farm as well as have alternatives that they could get into. It would complement the only biosphere in Carolinian Canada. It's very important, as you'll see by our support letters. We need to revitalize our economy in our area. We've been hard hit. We will be creating significant jobs. Norfolk county alone, as you know, has the second-highest unemployment rate in the province of Ontario. We will boost agri-tourism as well.

The environmental impact: It can be used in a rotation to replace organic matter. It sequesters the carbon. It purifies the air and water, prevents phosphates from running off into the rivers, lakes and streams—you know we have had that problem—and prevents nitrates from leaching into the groundwater. It's very effective as a buffer zone along sensitive creekbeds. You'll all be familiar with the ALUS project that uses the tall grass prairie along the creekbeds. It is a natural habitat for birds, snakes and other local wildlife. We have checked into it; we know what we're talking about when we say the harvest cycle complements the migratory habits of the wildlife. It is a renewable energy source. It's clean-burning. We've had tests done on it. We would not exploit our woodlots. It will attract bees for natural pollination in fruit and vegetable crops. What could happen here is you will have five or—

The Acting Chair (Mr. Kevin Daniel Flynn): Two minutes.

Ms. Linda Vandendriessche: Two minutes? Holy mackerel.

Okay, potential uses for the tall grass prairie: It could be for ethanol, biogas, bedding, paper, fiber—I'll move on.

The challenges: I have to get to this, because the pelleting is the end user. Tall grass prairie takes three years to establish, harvesting not until the spring of the fourth year, but we are looking at doing it earlier. We need to entice farmers to grow it.

I think I'll skip over.

A sustainable transition program for farmers is the solution. Create local pelletizing plants in which the farmers would be participants, in a co-op or a farm association. We have markets. We've gone out and spoken to many different groups. They're looking for this product.

1510

I'll go over to Grow Me Green. We have met with various individuals from municipalities, the province, the federal government. We believe in partnerships to be created between all levels of government. We believe that Ontario can become a leader of a greener tomorrow. You'll see that we have support documents in the package.

Grow Me Green would like to establish 500 acres of additional tall grass prairie in the spring of 2010. This amount of acreage will be efficient for the research and development we need to do.

Grow Me Green continues to explore growing our markets for the potential that exists for these projects, which would include diversity for the end user. Grow Me Green hopes to be pelletizing in the near future. We have some equipment we're working with. We're looking for the support of the federal government, not just to be looking at other alternative energy sources, but also to look in your own backyard where farmers can grow a crop that would be very efficient.

The Acting Chair (Mr. Kevin Daniel Flynn): Good timing.

Ms. Linda Vandendriessche: Thank you.

The Acting Chair (Mr. Kevin Daniel Flynn): You hit 10 minutes right on the nail there. I'm sure you'll have a chance to get more out in the questions and answers. The questions this time go to the Conservative Party.

Mr. Peter Shurman: Your enthusiasm is palpable. I think I want to invest. It sounds like a no-lose proposition and it's the first time it's been presented to me. Obviously you're very enthusiastic, so I'd like to know more.

With the Green Energy Act, enacted halfway through last year, it seems to me that it would be a fair statement to say that the province's focus apparently went away from things like atomic power and biomass, which is where your project would fall, and more directly into wind and solar. Would you agree with that statement?

Ms. Linda Vandendriessche: I'm not exactly familiar—I'd be making a mistake if I were to say I knew exactly what was going on in there, but—

Mr. Peter Shurman: So would I, but go ahead.

Ms. Linda Vandendriessche: But there are programs that are available for us that we're trying to look into. Let's not forget—I do agree with you—there are demands on energy. Yes, the wind power is necessary and, yes, solar might be necessary, but don't forget the alternative of this as well. Include it in the package.

Mr. Peter Shurman: I understand that. I'm just concerned about things like being sold down the river to a foreign company and exporting jobs and exporting money when we have people like you saying, "Look, we can take land that is not particularly supportive of growing food crops and we can turn it into energy."

Ms. Linda Vandendriessche: I can't deny that would be a good statement, to say we could use our lands for that.

Mr. Peter Shurman: The figures that you gave us on what the total yield could be—did you say four times what corn would do under the same circumstances?

Ms. Linda Vandendriessche: No. What I indicated was the energy burn could be 40% higher.

Mr. Peter Shurman: Okay. It's still obviously more efficient and, again, a good land use. Thank you very much.

Ms. Linda Vandendriessche: You're welcome.

Mr. Toby Barrett: Just to follow up with respect to the foreign companies: Samsung solar would be receiving 44.3 cents per kilowatt hour, and for wind, they'd be receiving 13.5 cents per kilowatt hour plus added incentives. I'm not sure what the additional incentive is. That's a $7-billion package.

For switchgrass, prairie tall grass, for this kind of biomass, what kind of a range would you need as far as government assistance? Is it somewhere between 13 cents a kilowatt—is it 44 cents a kilowatt? We know we can produce electricity with coal at maybe three or four cents a kilowatt. Have you looked at that at all to try to make this new venture take off?

Ms. Linda Vandendriessche: John, do you want to answer that one?

Mr. John Dumanski: We want to establish a pilot project to try to figure out where we need to go with this. That is why we're asking for help to put in the crop, to build a pelletizer—this will be the pilot project—and then to see after, when it's all done, when it's working, if it is a viable industry.

Mr. Toby Barrett: In the United States I think there are some pelletizer plants.

Ms. Linda Vandendriessche: Yes, there is a significant crop of prairie grass grown in the United States and there are, I think, three different locations—one in Ohio, one in Pennsylvania—

Mr. John Dumanski: There are actually four—another in Kentucky and in Minnesota.

Ms. Linda Vandendriessche: The government of the United States is being very positive with this land use. They're saying that if it can be a marginal soil, such as a sand-based soil, that they want to invest in seeing that those farmers in those areas can become productive with this type of use.

I don't know the numbers and it would be unfair for me to try to quote something in a number, but all I can say is, no, we can't compete with coal, but yes, we can compete with natural gas and propane. We're in the competitive marketplace.

Mr. Toby Barrett: I know you're not involved with miscanthus. Where is that at as far as pilot or usage in the United States or elsewhere?

Ms. Linda Vandendriessche: John can answer a lot of this, but my opinion on miscanthus is this: We're not here to say one is better or worse than another. We've investigated all the particular grasses, and we wanted to stay as native to the soil as possible. We felt that the tall grass prairie was more up our alley.

Mr. John Dumanski: With the tall grass prairie, it is indigenous to this area, and like Linda suggested, when planting with forbs in a polyculture, you will get yields. It is indigenous. It will grow in no matter what climatic condition that Mother Nature gives us throughout the years. Our understanding of miscanthus is that it is a monoculture, which is old, traditional agriculture. There are inputs involved through fertilization, maybe irrigation, so it is more cost-prohibitive. We're just looking at the whole picture, the environmental picture and also the economic picture.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that presentation.

CANADIAN AUTO WORKERS, LOCAL 27

The Vice-Chair (Mrs. Laura Albanese): We now call on the Canadian Auto Workers, Local 27, to come forward. Good afternoon. You will have 10 minutes for your presentation, which will be followed by five minutes of questioning. If you could please identify yourself for the purposes of our Hansard recording—

Mr. Tim Carrie: I will do my best.

The Vice-Chair (Mrs. Laura Albanese): —and you may start.

Mr. Tim Carrie: First of all, thank you very much for the opportunity to present. My name is Tim Carrie. I'm the president of CAW Local 27 here in London and some outside of London. We represent about 5,100 members in all sectors of our economy, including health care, manufacturing, warehouse, electromotive production, and general dynamics, which produces the armoured vehicles. So I think that we can speak on the issues based on what the economy really looks like.

I was asked if we have a brief, and I'm sure the OFL and the national CAW will present a written brief sometime later. So I thought I'd take the opportunity to speak to you more on a local level and the impact that the recession has had on London and our urging for the provincial government in the next budget not to slash and burn around public spending in order to try to get out of the deficit. We believe that would be the wrong direction to go and we believe that the only way to get out of this is to create jobs, not to cut public spending.

We commend the provincial government in regard to their recent initiatives around green jobs. We know there has been some opposition in regard to where it comes from, but the bottom line is, we have spoken extensively about the need to create green jobs, to move towards a green economy, and at least we're spending money in an area that creates some jobs.

Could we do something more in regard to direct jobs and having direct investment from investors in Ontario and Canada? Yes, I believe we could. For example, in London over the last few years we have lost many plants. We have a Siemens plant, for example, here in London that is sitting idle and empty. We have a Dana plant in St. Marys that's idle and empty. We have a Sterling plant in St. Thomas. We believe we have to put more emphasis on utilizing those facilities to create the green jobs that we need in the future.

Having said that, I don't believe that we should be looking at cutting back or giving up on manufacturing. Ontario is a manufacturing-based economy and it needs to continue to be a manufacturing-based economy. I've been at several presentations where I've heard issues about small business, which we believe is important, and the creation of small business, but the question we would ask is, who is going to be the consumer and who is going to buy? Unless we have people making decent wages in manufacturing, how are we going to support our public sector and those? So it's one area that we wanted to get out.

1520

The other is the deficit. We recall that Paul Martin, as the Minister of Finance, decided that the way to get out of the deficit that we had federally years ago was to slash and burn. That created a lot of pain for quite a few people. As a result of that, we got out of the deficit 14 months earlier than we would have, but the pain and suffering that it caused—was it really worth it? We would suggest that it was not. We believe that we have to stay the course in regard to creating manufacturing jobs.

Let's talk about issues from our perspective. I'll touch on three things that have really hit us.

Right now, when workers lose their jobs in the province of Ontario, according to the Employment Standards Act, they're entitled to severance pay if there are more than 50 employees and if the payroll of the employer is $2.2 million. But many employers are escaping their responsibilities for severance pay by either a phony takeover by another company or simply running away from their obligations. We strongly suggest that a way to avoid this—and many employers, by the way, live up to their legal obligations and pay the severance pay that they know they're required to pay. We're suggesting that every employer be required under law to place the severance into a trust for workers as they become eligible. For the honest employers, this is something they would pay anyway, and for the employers that are running away, that money would go where it belongs and that's to the workers who are entitled to severance.

We also believe that we need to ensure that pensions are protected. One thing that we have come to a recognition of here in London, and which I'm sure the provincial government and the opposition parties have seen, is the guaranteed pension fund, which was seriously eroded and created serious problems. In this area, well over thousands of retirees from the former Northern Telecom plant are in serious jeopardy of losing their pensions, losing a significant amount of their incomes, which, quite frankly, are not dramatic. You have to recognize that Northern Telecom closed in the early 1990s, and the pensions are maybe $1,000 a month, cut to $500 or $400 a month—cut in half—as a result, again, of a corporation going bankrupt, while making sure that certain people in the corporations received major bonuses. That is a crucial area that we have to look at.

The other is that our union represents in London over 2,500 health care workers in both hospitals. These are the front-line workers—the registered practical nurses, for example, and porters. I have come to the recognition, coming out of the private sector, of the value of these workers. We understand, and we're going to recognize, that there's going to be serious pressure on our members as the attraction towards cuts in spending is there, and that could have an impact on the members we represent. We again are insisting that that is not the way to go.

One last is the issue of providing tax cuts for corporations. Looking at the study, it can be proven that the taxes that corporations pay in Ontario are very competitive with those that are very close to us, whether it's in the northern United States or other jurisdictions. Again, tax cuts to corporations have not been shown to be a way of creating jobs. The way to create jobs is through investment and by ensuring that workers are paid a decent wage.

One last area I want to touch on is the area that we call precarious work: our temporary workers and the kinds of workers that are now being exploited. I have workers who have worked for 20-some years in factories, making a decent wage and benefits, who get hired through temporary agencies and are working for employers in this city at minimum wage with no security, no protection. There have been some things done by the provincial government. It's great to put in some legislation, but unless we have enforcement of this legislation, these workers are going to continue to be exploited. Going in, working, being given what they call a contract of two years that could be cancelled at any time—and the employers are cancelling these, the workers are out of a job, they bring in a new batch and start all over again. Workers deserve more. They deserve some security when they get hired.

Those are some areas that I, on behalf of our union, would ask you to seriously consider in the upcoming budget. To top it off, on behalf of our local union, I would suggest that we ensure that we create jobs, that we look at ways of creating jobs, that we do not give up on manufacturing. One example is what happened in the auto industry in Ontario. There was a wise investment by the federal and provincial governments, and what have we seen as a result of that investment? Recent announce-

ments in Oshawa of more jobs, which creates more jobs in the auto parts sector and all sectors of our economy. Those are examples of good, wise investment in regard to creating jobs. We would ask that that be the direction we follow as we move forward through these difficult times. Cutting public sector spending and cutting the wages of public sector workers will only create more pain and suffering.

Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation. I will now turn it over to Mr. Prue for five minutes of questioning.

Mr. Michael Prue: The first thing you raised was the severance pay for companies that have over 50 people. I've seen a couple of companies that have been successful. What they do is, they may have a couple hundred employees, and they scale back, and then they scale back again, and they make sure that they have 49 or 48, and then they close it down in order to escape everything. What do we need to do to change that practice?

Mr. Tim Carrie: One example would be to pro-rate what their employees are over a longer period of time. Closures usually aren't something people know, let's say, four years ahead of time, but if they know six months ahead of time because the corporate boardroom tells them, then the strategy would be to cut their workforce down. So, our suggestion would be, what were your numbers over two years or three years and what was the average number of employees? That would do something, at least, to take away that quick way of avoiding their responsibilities.

Again, it's about the issue of being in trust. If that money is in trust and protected for those workers, even if there are reductions, there's severance pay that's being paid out because it's already there. So there would be a disincentive to reduce because the money would be paid out anyway.

This is about employers that are not good corporate citizens. Many employers are good corporate citizens, live up to their responsibilities and do what's necessary, but as a union representative I have seen the ones that don't.

Mr. Michael Prue: The second thing you talked about was pensions. This is becoming quite a large issue. I know that Andrea Horwath recently got a lot of press around talking about pensions for the 70% or so of people who are retiring without one. Most CAW members would have a pension because that would have been contracted over many years. But do you think that all Ontario citizens should have the right to have a portable pension as they go from job to job?

Mr. Tim Carrie: I think that all Canadian citizens should have the right to retire with respect and dignity. There's one quote that I've heard which we believe is accurate, that in regard to pensions this is a Tommy Douglas time in our country, that we need to put forward the fight for decent pensions for all. Yes, we were fortunate enough in the CAW, the plant that I am out of, to bargain some decent defined plans, but it was only a year and a half ago at the bargaining table that those defined plans were in jeopardy. So we need to protect defined plans, but at the same time we have to ensure that pensions is an issue for all Ontarians in regard to living with some respect and dignity as they retire.

Mr. Michael Prue: Right now, too, in terms of those defined plans that are in jeopardy, the limit that the Ontario government has if a pension plan goes under or is about to go under, the amount that a person—I forget what it is, but it's a very small amount that they're eligible for monthly. Should we be increasing that amount? Should it be increased, as some have suggested, to $2,500 a month so that people don't end up in poverty? Is that a realistic thing?

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Mr. Tim Carrie: Yes, and that was raised under the report. I could get my pension—what report was that, Tommy? What report was that that increased it to $2,500?

Mr. Tom McSwiggan: The Arthurs report.

Mr. Michael Prue: The Arthurs report.

Mr. Tim Carrie: The Arthurs report. I have my pension guy behind me.

Mr. Michael Prue: Okay.

Mr. Tim Carrie: Yes, the Arthurs report, which increased it to $2,500.

Mr. Michael Prue: Now, you talked about reducing taxes to corporations; that there's no proof that it actually increases jobs. I've heard that before, but every time I have some corporate director here or the chamber or commerce, they all say, "Reduce our taxes, and we'll create more jobs." I'm a little skeptical. I think they want to reduce their taxes so they can make more money. You said it doesn't have any—do you have any studies that show it doesn't create jobs?

Mr. Tim Carrie: Well, there are no studies to show that it does. That's the issue. I would suggest we do the carrot-and-stick approach. If you want something, then you prove to us that the money that we're taking out of our taxpayers is going to actually create some jobs. Show me what's there, but don't give me this, "Give me a break, and I'll create some jobs." We find most of it ends up in corporate boardrooms in the US or other facilities outside of this country to enhance their ability to move our work there. We have to be very careful when we're handing out money like that.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

Mr. Tim Carrie: Thank you.

LONDON HOME BUILDERS' ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I now call on the London Home Builders' Association to come forward. Good afternoon. You will have 10 minutes for your presentation. That will be followed by up to five minutes of questioning by the government side. I would ask that you identify yourself before beginning your

presentation for the purposes of our Hansard recording. Thank you. You may begin.

Mr. Mike Baldinelli: First of all, thank you, Madam Chair. Members of the committee, good afternoon. My name is Mike Baldinelli, and I'm the incoming president of the London Home Builders' Association.

Strik, Baldinelli is a local firm. We concentrate strictly on structural engineering. We have offices in London and Cambridge, and we've been winners of supplier of the year three years out of the last four. We are proud members of the home builders' association—Canadian, Ontario and local.

I am a volunteer member in the association. In addition to my business and personal responsibilities, I am dedicated to serving the industry. The London Home Builders' Association is the voice of the residential construction industry across London. Our association includes 280 members involved in all aspects of the industry, and we collectively support thousands of high-quality paying jobs in the area. Given the broader economic turmoil, we are a stabilizing force on the regional economy. We are proudly affiliated with the Ontario Home Builders' and the Canadian Home Builders' Association.

This year has been a difficult one for us, with a 23% decline in single-family housing starts. This follows a 33% decline in 2008 over 2007 starts in the city of London. The London CMA, which includes St. Thomas, Strathroy and the surrounding areas, hasn't fared much better, with a matching 23% decline in the past year and close to a 31% decline over 2008.

The manufacturing sector in southwestern Ontario has been hit hard by layoffs. Closing the Sterling Truck plant in St. Thomas has rippled across our area, with the closing of subsidiary plants. The Ford plant also declared its closing date, which will result in another slam to our area.

The London Economic Development Corp., the LEDC, is working hard to bring in new green industries, and the city of London is developing a new industrial park dedicated to this technology. We are starting to see interest from solar manufacturing and installation providers. The LEDC was successful last year, bringing in Hanwha, one of Korea's largest industrial corporations and leading producers of quartz building materials, to London, where they opened a new 200,000-square-foot facility on Veterans' Memorial Parkway; 120 jobs were predicted for the first year, with 100 more in the following year.

Two years ago, the London Home Builders' partnered with St. Thomas realtors; the LDI, London Development Institute; and the Labourers' International Union to form the Keep London Growing Coalition. Our objective was to capture the attention of the city of London to the concern within our combined industries for jobs. The threat to jobs was due to the scarcity of approved building lots caused by a cumbersome development approval process in London. Headway has been made, but, unfortunately, jobs were negatively impacted even before the economic downturn.

In addition, the city has increased development charges significantly; $6,000 on January 1 just this past year; DCs from $17,000 to $22,921 for a single-family home. Building permit applications reflect a push at the end of December as homebuyers and builders rushed to get permits in, with a record 221% increase in that one month. This will probably slow down permits in January, February and March to offset that increase.

In typical building years, the residential, commercial and industrial construction industry would support about 50,000 jobs in London. There's a lot of concern for jobs in London, with an unheard-of unemployment rate of just over 11%; that's obviously come down a bit over the last month or so.

If people are worried about whether or not they will have a job in the near future, they aren't going to purchase a new home or consider a major renovation. That's why our industry is strongly recommending that the upcoming provincial budget focus on keeping people employed and generating new jobs. The surest method of accomplishing this goal is to invest stimulus funding in key infrastructure projects, specifically projects that support long-term employment opportunities that will also create private investment. All levels of government have a role to play in laying the foundation for this growth cycle.

In London, we have a few projects that we are recommending.

Improvement of the Fanshawe-Highbury intersection: This will help to solve an existing traffic capacity issue and open the door to major commercial service and retail growth for long-term employment and private sector investment. We have a project cost of approximately $4 million for this.

Extend the Medway sanitary trunk sewer: This will bring more than 200,000 square feet of commercial development and more than 500 acres of mixed residential development in the Sunningdale/Richmond area. The project cost is approximately $5 million.

Implementation of phase 2 of Stoney Creek remediation and erosion control: This will open up 6,400 acres of future mixed residential development. Again, project cost, $3 million.

Construct a Riverbend regional stormwater management facility: This will open up 300,000 square feet of commercial development and 200 acres of mixed residential.

Construct the Kilally south sanitary trunk sewer: This will open up 300 acres of mixed-use residential development. Cost: approximately $2.6 million.

Last, the Fox Hollow sanitary and trunk project: This will open up the northwest quadrant of the city for mixed residential development at approximately $4 million, so a total development of approximately $22.6 million.

Unfortunately, our city has chosen a different direction, submitting a selection of projects related to upgrading of city buildings and facilities such as accessibility, electrical and general upgrades, maintenance and replacement of windows, doors, fire systems

and roofing—all necessary works that will employ trades but not long-term job creation projects. We need to take advantage of the recession and fast-track whatever stimulus projects receive approval to ensure that we remain economically competitive.

Although the call was for shovel-ready, we are finding that the need for environmental assessments is slowing down the implementation of these projects. While we're not suggesting that these be bypassed, obviously, it might be worth consideration that some stimulus monies be allocated to support the EAs which would help speed up the whole process. It's a great time to make these investments as the province will get more bang for its buck in terms of reduced labour and materials costs. These investments will have a multiplier effect and encourage investment from all members in the residential construction industry.

We recognize that the shift to a harmonized sales tax will result in some benefits to the broader economy, specifically manufacturing, but harmonization will bring about significant taxation implications impacting new homebuyers and homeowners contemplating a renovation.

Sorry, a couple more minutes?

The Vice-Chair (Mrs. Laura Albanese): Yes. You have three minutes left, unless the government side is willing to let you finish the presentation.

Mr. Mike Baldinelli: I've got one more page. Sorry.

The initially proposed HST structure as applied to new housing in the 2009 budget would have resulted in significant taxation increases for new homes. It was based on a regressive tax structure modeled after the GST with dual thresholds and a rebate clawback. This proposed tax structure would have been devastating for housing affordability and would have created significant market distortions in terms of housing built in London. We appreciate that the government was willing to listen to our concerns and work with us to enhance the tax structure as it applies to new housing. I want to be clear that while we support the positive measures taken to improve the tax structure and reduce the overall tax burden, it still represents a net tax increase for homes valued over $400,000. Therefore, we strongly recommend that the province avoid the mistakes made by the federal government in failing to update the GST rebate thresholds ever since they were introduced in 1991.

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To protect housing affordability, the province should increase the $400,000 threshold in the future, as new average home prices inevitably increase over the long term. According to CMHC, the average sale price of a new house in London was approximately $334,000 at the end of the third quarter, up 7.6% from 2008.

With respect to residential renovations, we have serious concerns that a cumulative 13% sales tax burden will be a godsend for the underground economy. Many homeowners are going to avoid paying the sales tax by hiring unscrupulous trades and simply pay cash. The Altus Group recently estimated that underground renovation contracts represent approximately $5.2 billion in unreported economic activity. With the GST already steering a sizable proportion of renovations underground, you can imagine what this will do with an increase from 5% to 13%. This isn't a small issue that can be swept under the rug, as many illegitimate businesses will hope you do. We are talking about billions of dollars in illegal economic activity.

There are many obvious negative attributes to underground construction. Health and safety standards of workers in the underground are not likely to be met. Warranties, obviously, generally don't even exist. Consumers suffer, with little or no recourse in the event of shoddy or unsafe workmanship. This exposes consumers to both financial and liability issues.

The last point is an issue that the London Home Builders' Association works diligently to counteract through ongoing consumer education. Despite articles in our local paper and distribution of brochures detailing the need for a written contract, supported by the federal government, we still receive calls at the LHBA office on a regular basis from unsuspecting homeowners who have gotten caught by an unscrupulous contractor because of the lure of a cash deal. Some calls are heartbreaking, when we hear of the hard-earned money that has been invested for inferior work that has to be redone, and LHBA members come sometimes to the rescue.

The Altus Group recently estimated that an increase in the sales tax from 5% to 13% will result in significant annual government revenue losses: a loss of up to $1.6 billion in income tax revenue, a loss of up to $298 million in GST revenue, and approximately $767 million from other revenues, such as CPP, WSIB, employer health tax and employment insurance benefits.

To mitigate the impact of the cumulative 13% sales tax on the underground, we strongly recommend the following:

Both the provincial and federal governments should introduce permanent home renovation tax rebates for their portions of the sales tax. The rebates should go directly to consumers to encourage collection of receipts from legitimate businesses. In turn, this would create a paper trail that the government and the Canada Revenue Agency could utilize to track and catch those trying to cheat the system.

The Ontario government portion of a permanent home renovation tax rebate should rebate 5.4% of the contract value on all qualifying professional contractor renovations. The 5.4% is calculated as the difference between the 8% provincial sales tax and the 2.6% estimated to be currently embedded in the contractor renovations through the payment of the PST.

Lastly, let me conclude by stating that we are cautiously optimistic that we are turning a corner for housing in London. As one of the drivers of London's economy, members of the London Home Builders' Association pour millions of dollars into the provincial treasury and allow for the expansion of the municipal tax base. We hope to continue to work with you to ensure

that the new housing and renovation industries get back on the right track this year. We look forward to the upcoming budget and we hope you have listened to our concerns and positive suggestions to support job growth by making significant infrastructure investments in London and across Ontario.

I would like to thank you for your attention and interest in my presentation. If you have any questions or comments, please do—

The Vice-Chair (Mrs. Laura Albanese): I will turn it over to Mr. Ramal for questions. Because you have gone over with the presentation, there are about three minutes.

Mr. Mike Baldinelli: Sure, no problem.

Mr. Khalil Ramal: Thank you very much for your presentation. As you know, probably before your time, the city of London and many stakeholders elected from three levels—provincial, federal and municipal—met three times in London to construct a request from the stimulus package which was promised by the federal and provincial governments. As a result of those meetings, the city of London received, or is about to receive, $100 million. The mayor, Anne Marie DeCicco-Best, was outlining those issues this morning.

Mr. Mike Baldinelli: That's right.

Mr. Khalil Ramal: As you know, we don't force our will and our design on any municipality across the province of Ontario, so it has to come from the grassroots. That's what happened. So what you suggest here was discussed and was on the table, about the sewage in the west end of the city and also the expansion of Highbury and many different issues—but not being taken, because different priorities were supplied by the stakeholders in the city of London.

Also, as you know, we met with your organization many different times. They came to my office; we met with them in your office. Mr. Watson was the Minister of Municipal Affairs back then. He came and he outlined the government strategy and vision in terms of HST. He said, as you know, that as a result of your advice, we increased that threshold to $400,000 to allow many builders to continue building across the province. Whatever the charge is in the city of London will probably be local; it doesn't apply to Strathroy, Toronto or anywhere else. Anyway, it's a local issue.

Mr. Mike Baldinelli: That's right.

Mr. Khalil Ramal: So I want to say thank you, and I want to thank all the builders' associations across the province of Ontario for working to build this province and for continuing to work with us and with many different people and communities across the province.

Mr. Mike Baldinelli: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation.

Mr. Ted Arnott: Point of order.

The Vice-Chair (Mrs. Laura Albanese): Yes, Mr. Arnott.

Mr. Ted Arnott: Before you adjourn the meeting, I just wanted to inform committee members that the mayor of Wellesley township, Mayor Ross Kelterborn, has been waiting all afternoon, in the event that there might be a cancellation, to make a presentation to this committee. I was wanting to seek unanimous consent of the committee to allow Mayor Kelterborn to make a brief presentation, recognizing that we have to be done by 4 o'clock so that we can get to the plane to Dryden. Would the members agree to that?

The Vice-Chair (Mrs. Laura Albanese): Do we have unanimous consent? Mr. Arthurs.

Mr. Wayne Arthurs: I think our caucus certainly would agree with that. Having worn the heavy chain of office, I would much rather see the mayor go back to his council having had an opportunity to present to this committee.

Mr. Ted Arnott: Thank you.

TOWNSHIP OF WELLESLEY

The Vice-Chair (Mrs. Laura Albanese): The mayor of Wellesley township may come forward. Please state your name into the record for the purposes of our Hansard recording.

Mr. Ross Kelterborn: First of all, thank you very much for accepting me. As I move along the chronicle line, sometimes I forget. My submission was handed in on April 13, but not at 4 o'clock. Anyway, that's why I had my problem.

My name is Ross Kelterborn. I'm from the township of Wellesley. I represent a township of approximately 10,000 people, and 1% of our budget raises $32,000. I'm here to talk to you about two things, really. I've talked twice about this before to Ministers of Finance at forums such as this, which was to increase our income from agricultural land. I'm sure you had your breakfast this morning; I'm sure you had your dinner. More than likely, some of that material that you ate might have come from Wellesley township. If they and all the rest of them in Canada went out of business tomorrow, you'd be in pretty bad shape. You'd be down to the weight you'd want to be, and maybe even a little less.

However, very, very simply, this is the way I see it. I have a little bit of experience. I have been in municipal politics for about 30 years in the same township. I've lived in the same area all my life, and I do this as a dedication to my community. I'm not a politician. No sign goes on my lawn at election time—none. I'm here as a Canadian citizen to better my community. Now, here's how I see it. Agricultural land—the productive land and other types of land that have trees and swamps and so on—is assessed at the residential rate, as many of you likely know. We get 25% of that particular assessment. Then there is another fund that the government gives us back, called the Ontario municipal partnership fund. There's a large calculation that is made to equalize what we don't get in that 75%. What I'm simply saying is that there should be a new assessment for agricultural land—which costs the landowner or farmer nothing; he still pays the 25% of his residential rate—something like the industrial assessment that allows cities to do what they do. On one farm property, if it's sitting in the right place,

you can have six miles of land around one residence. We've got to look after that. So again, I come back to the fact that 1% raises $32,000.

1550

The other situation—and you've had people talk about it today—is the green act and carbon sequestering. We have all kinds of land in our township that is swamp, that is no good for producing anything, but off of that land comes clean air, places for birds, environmental things and carbon sequestering. Carbon sequestering is the taking of carbon out of the air and putting oxygen back in. That is a product for you and for me, not because I live in a rural area, but for all of us in Canada, and we should be paid for that—or the people who own that land should be paid for that.

That is my presentation—very simple, very short. I might tell you that the other two presentations that I went to—I saw people coming in here with stacks of paper this high. Well, I did that the first and the second time, and I heard absolutely nothing back. So this time I have one page, and it's simply my letter telling you what I've said, because what I've said is pretty simple.

If you would like some help—and you know, here's another thing about this Ontario partnership fund. One of the municipalities that sits right besides us, that borders us—we're on one side of the line, they're on the other side—gets $2,200,000 back in Ontario partnership fund money. We get $546,000. Now, I know there are differences: We're in the region of Waterloo; we have our own police force; we have our social services that we run differently. But something doesn't ring right there with me in that situation.

So that's my request, and I'd be prepared to try to answer any questions.

By the way, the region of Waterloo has taken it upon itself to provide an environmental fund. We have developed an ESL, an environmentally sensitive landscape area, in areas where we're protecting water—for all of your good. We have set up a fund in which farmers—not necessarily farmers, but anybody who owns that land—can apply to the region of Waterloo. We look at it, and if we feel that they're doing something good for that particular part of the environment, we will help to pay for that.

I'd suggest that maybe—you know, the other thing about it is, I'm sitting here listening to all of these things. I was at a regional meeting this morning, I'm here this afternoon and I have a township meeting tonight, and I'm thinking to myself, "If these people would do what I'm telling them, I wouldn't have to come here and tell them to do something. We would have our money and we would be able to do what we have to do." It's as simple as that to me, but I understand it isn't that simple. And let me tell you, I'm glad I'm not swimming in the canoe that you are to get yourself out of this situation, but we appreciate the stimulus money that we got, because we came ahead 20 years in our township, which we couldn't afford to do before.

So I'll try to answer any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation. The rotation calls for the Conservative side. We have a couple of minutes, if you have any questions.

Mr. Ted Arnott: I don't have any questions, but I very much appreciate what you've said today, Mayor Kelterborn, and the information that you've given us. I would look forward to getting a copy of the one-pager that you've given us so it's concise in summary.

Mr. Ross Kelterborn: There it is. I don't need to tell Ted anything about my—

Mr. Ted Arnott: I had the privilege of representing Wellesley township for eight years, from 1999 to 2007, but unfortunately no longer represent your fine community. But please extend our best wishes to everyone at the township council.

Mr. Ross Kelterborn: He's the only guy where I pick up the phone, call him, and I can be guaranteed an answer every time.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before our committee this afternoon.

Mr. Ross Kelterborn: Thank you very much for accepting me. I appreciate that.

The Vice-Chair (Mrs. Laura Albanese): Thank you. We are adjourned.

The committee adjourned at 1557.

Continued from back cover

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Première session, 39e législature

Official Report of Debates (Hansard)

Journal des débats (Hansard)

Thursday 28 January 2010

Jeudi 28 janvier 2010

Standing Committee on Finance and Economic Affairs

Comité permanent des finances et des affaires économiques

Pre-budget consultations

Consultations prébudgétaires

Chair: Pat Hoy
Clerk: William Short

Président : Pat Hoy
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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Thursday 28 January 2010

Jeudi 28 janvier 2010

The committee met at 0900 in the Hampton Inn, North Bay.

The Vice-Chair (Mrs. Laura Albanese): Good morning. The Standing Committee on Finance and Economic Affairs will now come to order. We are pleased to be in North Bay for today's hearings.

PRE-BUDGET CONSULTATIONS

CANADIAN UNION OF PUBLIC EMPLOYEES

The Vice-Chair (Mrs. Laura Albanese): We will now call on our first presenter to come forward for the pre-budget consultations, 2010. I would ask the Canadian Union of Public Employees, CUPE, to come forward. Good morning. For the benefit of everyone present in the room I would like to remind everyone that each presentation is a total of 10 minutes. You will have 10 minutes for your presentation. That will be followed by up to five minutes of questioning. The questioning goes in rotation among the parties, and we will start with the official opposition. Please state your name for the purposes of our Hansard recording, and you may begin.

Mr. Aubrey Gonsalves: Of course; thank you. Good morning. My name is Aubrey Gonsalves. I'm the president of CUPE Local 2316 which represents workers at the Children's Aid Society of Toronto, and this is my colleague Christine.

Ms. Christine Allard: Hi. Mon nom, c'est Christine Allard. I'm president of Local 2049, representing this region's child welfare workers.

Mr. Aubrey Gonsalves: We're also here today representing CUPE Ontario's 30,000-plus social service workers to discuss issues affecting our most at-risk children in the province. Both Christine and I work with members from all across the province who deliver quality child welfare, children's mental health and daycare services. This is a care continuum that helps to ensure our next generation's safety and future well-being.

Acknowledging the difficult economic times Ontarians face and the positive initial steps the Liberal government has taken on poverty reduction, we respectfully submit that without additional and sustainable resources to Ontario's children's services, the issue of poverty and its causes will be compounded instead of redacted. It is CUPE Ontario's position that continuing to delay the costs of children's services in Ontario will result in mounting deficits for the future. Making both an economic and social investment in services such as child welfare, children's mental health and full-day learning will be both a deficit- and poverty-fighting measure.

We wanted to briefly focus on three key children's social services: children's aid societies, children's mental health and child care.

Ms. Christine Allard: First, the state of child welfare agencies in the province: Since some positive policy direction in 2006, the transformation agenda, child welfare agencies have not been given the resources to maintain the positive traction that has been achieved through the aforementioned initiative. The current funding formula being used is broken and unfair. Moreover, agencies are told to do more with less in a context that could literally include life-and-death scenarios.

To be more concrete, we wish to offer some examples of how this unfair funding formula plays out in communities. Prior to the Ministry of Children and Youth Services stepping in late last year, the northern Payukotayno agency was facing a $30.4-million budget shortfall. The shortfall is also disproportionately being felt by northern First Nations communities as a whole. Late last year, Grand Council Chief Patrick Madahbee stated, "Some of our agencies report that they will not have the funds necessary to provide the required services mandated by the Child and Family Services Act." The chief added that First Nations child welfare agencies are already being funded at levels 22% below provincial agencies across Canada before the announced cuts.

The desire for children to thrive in society is almost universal, but aside from the emotional context, child welfare services are likely too expensive for society not to fund adequately. If the government was to invest in child welfare and restore funding to the sector, the spinoff effect is that Ontario's share of the numbers would decrease in key areas such as employment, health and social services cost. This money could be utilized to sustain the child welfare sector in the future and work to obtain the province's anti-poverty goals.

We understand that currently solutions are being examined through the recently formed commission to promote sustainable child welfare, which is expected to make recommendations on changes to the system as a whole. Our members plan on participating in the consultation process and want to hear what the commission will say in the upcoming months. However, they are a long

way off from reporting any recommendations on the aforementioned situation, and this is a situation that needs immediate and decisive action. It is CUPE's belief that stability is needed while the commission does its important work, and funding ought to be provided in order to allow agencies to effectively plan and deliver services as long as the current funding crisis remains unresolved.

It has been said that the true measure of a society is in how it takes care of its most vulnerable citizens. Disadvantaged and abused children are surely the most vulnerable. We urge you to consider that these children already have so much working against them. We urge you not to allow an underfunded child welfare system to be yet another hurdle in life that stands in the way of their safety, security and well-being.

Mr. Aubrey Gonsalves: The second issue, which can have long-lasting effects on an individual and society, is children's mental health. This sector of children's social services is the clearest example of how delaying costs will only multiply them later.

There is an array of savings that could be realized when effective children's mental health treatment is available. Some estimates put the costs of mental health on the Canadian economy at $30 billion. An investment in this sector could keep our labour market working by offering treatment, lower the provincial deficit by managing budget items associated with health care, and not add to social issues sometimes associated with mental illness, such as homelessness.

As detailed in the 2008 Auditor General's report and a 2006 Ontario government policy framework, 15% to 21% of children in Canada deal with some form of mental health issue. In Ontario, this translates into an estimate of between 467,000 and 654,000 children. This becomes more severe when one considers that suicide is the second-leading cause of death for 10- to 19-year-old children, and the scope of this issue is likely growing. The Ontario Auditor General estimates that only one in six children receives services. For a number of northern First Nations communities in 2009 served by the Payukotayno child welfare agency, tragedy struck over and over again, with 13 youth committing suicide and another 80 attempting the act.

Even with the investment the Ontario government has made, programs are inconsistent, and waiting lists are still very long. Regardless of the past funding increases to children's mental health, there has not been a significant boost to core programming funding in the past 10 years. Again, we see an under-resourced sector that, when not properly managed, has far-reaching social and economic effects on our province.

Ms. Christine Allard: Moving to our final key component of children's services, child care, which quite rightly is beginning to be viewed as a holistic program of early learning and child care, this is also where there has been the biggest shift from positive developments.

The Ontario government has made a historic and significant investment in addressing the issue of early learning through the soon-to-be-implemented full-day learning program for four- to five-year-olds, which arose from the report With Our Best Future in Mind. However, as this program materializes, there are potential unintended negative consequences both on the horizon and doorstep that are affecting the province's child care system and need immediate attention. Take, for example, the recent news that child care spaces may actually disappear in both Windsor and Toronto.

The importance of this sector to society and the economy is difficult to refute. Economically speaking, child care multipliers and indicators are impressive. For example, some studies have indicated that child care may have equal or stronger linkages to the economy as the retail and tourism industries.

Quebec, in their universal program, has seen the benefit. The C.D. Howe Institute has reported that 40% of the costs of the child care system was covered by new tax revenue from an increased labour market that resulted from the system.

If Charles Pascal provided a solution to early learning in the province, we should follow it. At the same time, if there are aspects of the implementation that negatively affect the provision of child care, they too need to be addressed, for compelling economic, equality and social reasons.

Mr. Aubrey Gonsalves: To conclude, child welfare, early learning, child care and children's mental health services are too important to cut, even in these difficult economic times. Moreover, the evidence suggests that we will compound future budget problems if these services are not provided in a way that effectively delivers service.

Ms. Christine Allard: Poverty already costs too much money in real and social costs, and these three elements of current and future child welfare often represent the first and last lines of defence for children and their families in the struggle against poverty and its fallout.

Mr. Aubrey Gonsalves: As a final illustration, as estimated by the Ontario Association of Food Banks, the cost of poverty to the province in 2008 was between $32 billion and $38 billion. The poverty rate is estimated to grow to 13.6% this year, which is up from 10.3% in 2006.

Ms. Christine Allard: These numbers and the people they represent suggest we cannot afford not to support an effective, holistic proactive and sustainable child welfare system encompassing what we discussed today.

Mr. Aubrey Gonsalves: Finally, both Christine and I would like to thank you for your time and patience. We look forward to the government making future progress on these issues. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that presentation. This rotation will go to the official opposition. You may begin.

Mr. Norm Miller: Thank you for your presentation this morning. I'm interested in a few of the points you raised.

0910

I believe you said that the funding for children's aid societies is lower in the north than in other parts of the province. Is that on a per-child basis, or how do you figure that out? Can you talk a little about that disparity?

Mr. Aubrey Gonsalves: First of all, I'll give you an example of what's happening in the Simcoe county CAS. It recently reported that for a child in foster care, there's a $16-a-day shortfall that the agency must absorb. It costs more to place a child in care than what the government is giving them.

What's also not calculated in the funding formula for northern communities is travel costs. In some of these remote First Nations communities, workers need to fly in—there are no roads.

Mr. Norm Miller: So is it that they receive equal funding to the south but the costs are higher, or that they receive less funding in the north?

Mr. Aubrey Gonsalves: I think the funding formula doesn't adequately compensate for some of these extra costs that the north experiences. As well, there is additional funding, like the chief, Patrick Madahbee, said: First Nations child welfare agencies are already being funded at a level 22% below provincial agencies across Canada.

Mr. Norm Miller: Okay. That's the figure I heard you say. I was just interested in kind of a breakdown of how that works.

Mr. Aubrey Gonsalves: Yes. In Toronto and in the southern areas, they look at the cost of living. Per diem rates—they're different across the province, and that impacts.

Mr. Norm Miller: Okay. Thank you. With children's mental health, you said that only one in six children are being treated at this time. Have you got a dollar figure? Ideally, obviously, all children would be treated. Is there an ask in terms of how much money is required to treat all children?

Mr. Aubrey Gonsalves: There is. I don't have those figures on me, but I will definitely get them to you. I know that you'll be in Toronto upcoming, and we'll definitely make sure we have those figures for you.

Mr. Norm Miller: Lastly, you were talking, in a positive light, about full-day kindergarten. So far, we've had a few days of hearings in Niagara Falls and in London. I think it was in Niagara Falls that a parent came to do with children's mental health who also had a child who might benefit from full-day kindergarten. We were saying, "The province has a $24.7 billion-deficit. If you had to make a choice between having full-day kinder-garten and having mental health care for your child, which would you choose?" She said, "No question: mental health care." If you had to make that choice, is that the choice you would make as well?

Mr. Aubrey Gonsalves: I think that's a type of choice that would put a person between a rock and a hard place. I think both are quite important. When you're asking, "Which is more important?", I think children's mental health, when you're talking about the effects that it has long term, as well as currently—especially in the north, around the youth suicide rate.

Mr. Norm Miller: That's certainly what this parent said. You also said that there were negative impacts of full-day kindergarten in terms of daycare spaces in the Windsor area, I believe you said. Can you expand on that? And I believe my colleague has a question.

Mr. Aubrey Gonsalves: Yes. In both Toronto and Windsor, what's happening is that with the all-day early learning in the schools, the four- and five-year-olds are being pulled out of daycare, which is leaving spaces unfilled at this time. It's a very quick implementation. The daycares haven't been prepared for this, with the withdrawal of these spaces. Many families are still waiting for a subsidy to get into these daycares. So there's no kind of, "We're going to pull these kids out and put them in this all-day learning, and what's going to happen to these spaces?" So there were no immediate subsidies for these families to get in there. So what's happening is that the daycares have extra spaces that they can't afford to keep open. They're looking at closing down. That's what the examples in Toronto and Windsor are about.

Mr. Norm Miller: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Twenty seconds.

Mr. Toby Barrett: Your recommendations on mental health: You call "to resolve administrative issues" and for a "coordinated and accessible system." Is there any valid reason why mental health for adults is in the Ministry of Health and for children it's in another ministry?

Mr. Aubrey Gonsalves: No.

The Vice-Chair (Mrs. Laura Albanese): Quick answer, please.

Mr. Aubrey Gonsalves: No. I don't have an answer for that, but we'll definitely get back to that.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for presenting before the committee this morning.

EASTHOLME HOME FOR THE AGED

The Vice-Chair (Mrs. Laura Albanese): We will now call on our second presenter, the Eastholme Home for the Aged. Good morning. You will have 10 minutes for your presentation. That will be followed by up to five minutes of questioning. In this rotation, the questioning will be done by the NDP. If you could identify yourself for the purposes of our Hansard recording.

Mr. Steve Piekarski: Good morning. My name is Steve Piekarski. I'm the administrator of Eastholme. I've held that position for 25 years.

Eastholme is a 128-bed home for the aged. It's operated by the board of management for the east district of Parry Sound. We want to thank you for this oppor-tunity to address long-term care.

Looking back, we give credit to the provincial gov-ernment for tackling the monstrous job of combining

three acts into a new Long-Term Care Homes Act, and here in the provincial riding of Nipissing, we thank our MPP, Monique Smith, for her efforts and dedication to long-term-care reform.

During the last couple of years we have received provincial funding for the personal support worker and registered practical nurse initiatives. This has been a direct benefit to our residents. In 2009, we received one-time funding of $1.55 per day per resident for our accommodation envelope to improve the care, environment and safety of our residents. This is very much appreciated, and it was very timely.

In looking forward, first off, let me say that we really enjoy providing home care for our residents. It's what we do and it's what we enjoy. At Eastholme, we remain committed to providing a home that the residents can call home. There is nothing more gratifying than having a family member confirm that when they've had their mum or dad out of the home for a visit, after the visit, their mum or dad would say that they were anxious to get back to Eastholme. We know we're doing the right thing when we get those comments, or when family will to say to us on the death of a resident that they have appreciated the care and love given to the resident by our staff.

We are aware of the financial problems in our province and country and the impact this is having on the lives of many people. Today I would like to address three issues facing our home and the long-term-care sector. Although there are many more, I'll concentrate on three.

Number one, annual operating funding: Today, this is an appeal for more provincial funding. Why? Long-term-care homes are required to comply with the applicable legislation, regulations and standards set by the province for the provision of services to our residents. Otherwise, we are subject to non-compliance orders being issued and having them posted on the provincial public website.

Since we are required to meet all the standards and ensure that residents' rights are met, then we must be adequately funded by the province to do this. Funding increases must be received each year to offset the inflationary increases to our base costs—for example, maintenance contracts, supplies, utilities, collective agreements, and staff moving up on the wage and vacation grids. Our base costs are continually increasing each and every year. As well, we will incur extra costs implementing the new Long-Term Care Homes Act and regulations.

I'd like to cite an example. We will be required to increase the dietitian's time. For Eastholme, this will mean an additional cost of $15,000, which is money we just don't have. We do not have the right or option to say to a resident, "You are not going to get the full level of services as a means to save money within our budget."

Therefore, reducing services will put us at risk of being non-compliant with the standards, and we certainly can't reduce the number of residents, as our funding is tied to occupancy, especially in light of the significant number of alternate-level-of-care patients at the hospital waiting for long-term-care beds and our own lengthy waiting list, with 150 applicants on it. We'd like to point out that we have 27 people who have been waiting for over 18 months for a bed.

The ability of our homes to provide high-quality resident care and services is inherently tied to appropriate funding from the province. In the absence of provincial funding increases for 2010—we haven't been informed what the increases will be, and we're optimistic that there will be some—we are forecasting an operating deficit of $450,000 if we don't receive provincial funding increases. If we were to levy our 14 supporting municipalities for the entire operating deficit of $450,000, this would result in a 95% increase to their municipal levy, which is a disproportionate sharing of the costs and unacceptable to them.

Our supporting municipalities are presently reviewing this situation, and they're passing resolutions of support for increased annual funding from the province to alleviate the burden to them.

0920

Item two: There's an immediate need to increase the accommodation per diem funding to A-category homes, and I'd like to explain. We receive funding for four envelopes: nursing and personal care, support services, raw food, and accommodation. Included in accommodation are the departments of dietary, housekeeping, laundry, maintenance, administration and facility, being our utility costs. All those are grouped into one envelope called accommodation, and we receive a per diem for accommodation. During the years 2001 to 2004, we were fortunate to receive provincial funding to convert our D-category home into an A-category home, meeting all the new design standards. This is absolutely wonderful and great for the residents, but this process has created a home that our district—while we can be proud of it, it has placed us at a disadvantage with other homes that are not yet redeveloped, and I'd like to explain.

The total square footage per resident of an A-category home, with resident home areas of 32 residents in a home area, is considerably bigger. It's more than homes not yet redeveloped to the new standards. Our home grew from 621 square feet per resident to 936 square feet per resident. The increased size of the home requires additional operating costs. For example, housekeeping has more rooms, bathrooms and common areas to clean. We require additional dietary staff to deliver nourishments and provide meals in four dining rooms instead of one dining room. Again, this is all better for the resident, but there's an added cost to doing that. And of course, there are the additional costs related to supplies, heating, lighting, insurance and equipment.

I'd like to put that in perspective. That difference between 621 and 936, of 315 square feet—if you multiply that out for 128 residents, that equals about 40,000 extra square feet. If you divided that by 2,500 square feet, being an average home that we would live in, that would equal 16 homes. So we're carrying the cost of looking after that much more, with the same funding that a home would get with the same number of residents but not yet

redeveloped. And we can't do it; we can't stretch the dollars far enough to cover that.

So this is another appeal that the A-category homes require more funding for these additional operating costs. We suggest that a new A-category accommodation per diem be introduced in 2010. We are willing to assist the Ministry of Health and Long-Term Care in a review of this challenging item.

The last item I'd like to address is the provincial funding in respect of the unorganized parts of the territorial district. Currently, the province of Ontario is providing a payment each year to the district of Parry Sound social services administration board in respect of their annual operating budget. This particular payment reflects the costs that would be borne by the unorganized—and I'll qualify that by saying "unincorporated"—parts of the territorial district of Parry Sound. However, the province is not currently providing a similar arrangement for the boards of management such as Eastholme that are operating district homes for the aged. We have the unorganized parts within our jurisdiction as well—the same unorganized areas.

I'd like to point out that Eastholme and other district homes for the aged have in the past received these funding payments for our capital projects and for our operational budgets.

The Vice-Chair (Mrs. Laura Albanese): I'd like to point out that you have about a minute and a half to finish.

Mr. Steve Piekarski: Thank you. For our last two capital projects, during the period 1998 to 2004 we received payments for the capital. What we're asking for is a continuation of the operating payments. The information is available through MPAC—and since it's being provided to the DSSAB, we see no reason why it can't be continued for our home.

In summarizing, I'd like to leave you with a story. Two old gaffers are sitting on a park bench and they need a ride back to their long-term-care home. Between them, they have $5. They're trying to decide on whether they should spend it on a couple of hot dogs and then hitchhike back or use it for taxi fare to get them partway back. Along comes a beautiful woman who stops in front of them to buy a hot dog from the vendor, and she accidentally drops a $20 bill from her purse. One of the old men reaches out with his cane and retrieves it. Being honest gents, they inform this beautiful woman, and she rewards them with a couple of hot dogs and a ride back to their home in the back of her Dodge Ram truck. Now, this message, I would like to say, is that we, the operators of the long-term-care homes, don't want to be left on a park bench. We don't want to make it halfway home with our budgets. We're not asking for a limo ride either, but we have the seniors in our care and we don't have sufficient money. We need you, the government, as a partner, and we need your help. There is a growing number of seniors in the province, and this trend has been creating a crisis in the demand for long-term-care beds.

Please help us. Please increase the funding so that we can meet the standards and provide the care that our residents need. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation to our committee. This rotation will go to the NDP. Mr. Prue.

Mr. Michael Prue: Yes, just a question first, because you never actually state this—not that I can find. Is this a for-profit home, a non-profit home, a church-run home? What kind of home is it?

Mr. Steve Piekarski: Eastholme is a non-profit district home for east Parry Sound district. We are operated by a board of management. The boards of management are formed under the Homes for the Aged and Rest Homes Act. So we're a non-profit, municipal home.

Mr. Michael Prue: All right. And what you're saying is that you need additional funding. How much additional funding will allow you to give the A-class service that you've talked about? What is the dollar amount, in the end? What does Eastholme need to provide all of the services that you're mandated to do and look after the residents and not make a profit?

Mr. Steve Piekarski: In short, for 2010 we are forecasting a $450,000 deficit, in the absence of provincial funding. So, to answer your question, we would need at least that much money just to hold our own and pay the bills. That wouldn't be increasing any additional services to our residents, which would require additional dollars on top of that.

Mr. Michael Prue: And $450,000 is what percentage of what you're getting now?

Mr. Steve Piekarski: Our total budget is $8 million.

Mr. Michael Prue: So that would be, just doing fast math, maybe 5%, 6%?

Mr. Steve Piekarski: That would be 5% of our total budget.

Mr. Michael Prue: So a 5% increase will make sure that this home continues to do what it's supposed to do.

Mr. Steve Piekarski: Correct.

Mr. Michael Prue: The absence of the 5% will mean—I don't know what it will mean, because you've got—

Mr. Steve Piekarski: Yes. I have to explain that we can't cut services. We're mandated to provide the services, so we can't cut them. If we do cut them, we're doing a disservice to the resident and we're subject to non-compliance orders being issued by the compliance inspectors. That gets posted, and then we have to comply and have a plan of action to correct them.

Mr. Michael Prue: The only other alternative that I can see that you set out here is that you have to go back to the municipalities, I guess, and that would be considered some kind of a downloading, because they'd have to pick it up.

Mr. Steve Piekarski: That's correct. Being a district home, we're fortunate in that we do have municipalities that we can turn to, but there are many homes in the province—I'm not here speaking just on behalf of Eastholme—that don't have that. They're charitable

homes, non-profit nursing homes. They don't have the ability to go back to another source of income, so they are going to be stuck. So my presentation is directed from the long-term-care sector and the need for that additional funding to come in to help us cover our base costs.

Mr. Michael Prue: Now, you did set out that $450,000 would be a 95% increase, so I would assume, using the math, that these 14 municipalities currently pay about—

Mr. Steve Piekarski: It's $470,000.

Mr. Michael Prue: So $470,000. So to us, you're literally asking them to double the amount that they pay. They all look like—and I know most of them—they're pretty small municipalities.

Mr. Steve Piekarski: Well, they are. The entire population of our district is only about 22,000 people. It is very small.

Mr. Michael Prue: That's like 20 bucks a head, right across the board, that everybody would have to pay.

Mr. Steve Piekarski: Putting it that way, yes.

Mr. Michael Prue: Okay. Thank you. Those would be my questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this morning.

Mr. Steve Piekarski: Thank you for the opportunity.

ALZHEIMER SOCIETY OF NORTH BAY AND DISTRICT

The Vice-Chair (Mrs. Laura Albanese): I will now call upon the Alzheimer Society of North Bay and District to come forward. You will have up to 10 minutes for your presentation, and that will be followed by up to five minutes of questioning. In this rotation, it will be the government side. Please state your name before you begin for the purposes of our Hansard recording. Thank you.

Ms. Linda Brown: Good morning. My name is Linda Brown. I'm the executive director of the Alzheimer Society of North Bay and District, and I am the counsellor there as well.

To the Chair, members of the committee, ladies and gentlemen, thank you for providing the Alzheimer Society of North Bay the opportunity to present to the Standing Committee on Finance and Economic Affairs on the business related to dementia in Ontario, specifically northern Ontario. I am representing today the six Alzheimer societies in northern Ontario.

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On February 1, 2010, the Alzheimer Society of Ontario will be speaking with you about the issue of caregiving. We support the ASO's recommendations, in addition to those we are presenting to you today. It is our hope that you will consider the recommendations from the Alzheimer societies in the budget for 2010.

In August 2007, the Ontario government introduced the aging at home strategy. This initiative has benefited the lives of people living with dementia and their caregivers. We are pleased with the success of these initiatives from the government but recognize that much more work needs to be done. The focus of our presentation is on the following areas pertaining to dementia: prevalence and impact, and prevention as the key to curb the increasing health care spending.

What is dementia and Alzheimer's disease? Dementia is a syndrome with symptoms that include loss of memory, judgment and reasoning. Changes in mood, behaviour and communication abilities are also noticeable. These symptoms may affect a person's ability to function at work, in social relationships or in day-to-day activities.

Alzheimer's disease, the most common form of dementia, is a progressive degenerative disease of the brain which causes thinking and memory to become seriously impaired.

After Alzheimer's disease, vascular dementia is the second leading cause of dementia.

Persons with Alzheimer's disease or dementia still fight against the same stigma as other people with mental health issues or psychiatric disabilities. Added to that is the fact that we still live in an ageist society, and many seniors feel marginalized and isolated, as they are often considered a health and economic burden.

About the six Alzheimer society chapters: The Alzheimer Society of Ontario was founded in 1983 and supports a province-wide network of 39 chapters. Across northern Ontario, six independently incorporated chapters provide services to support the vision of a world without Alzheimer's disease and related dementias. Alzheimer society chapters provide a range of services, including group supports, counselling, information, public awareness, and dementia-specific education for front-line health service providers. Some also provide day programs and respite. Our main goals are to improve service and care, help with funding and support for research, educate the communities we serve, and create awareness and mobilize support for the disease.

With respect to prevalence and impact, more than 180,000 people in Ontario have dementia, and in less than 25 years the number will double. In northern Ontario, we have over 11,000 people with dementia. By 2016, that number will rise to over 13,300 people, an increase of 21%. Dementia is the leading cause of disability in Ontarians over 60, causing more years lived with disability than stroke, cardiovascular disease and all forms of cancer. Most Ontarians with dementia today are supported outside of institutions, in their homes with families.

Dementia has a dramatic impact on the health system as well. Persons with dementia use one third of alternate-level-of-care beds today. Dementia is highly correlated with hip fractures, and persons with dementia occupy over 60% of our long-term-care homes. Some 57% of older persons presenting at one emergency room had a cognitive impairment at that time.

In Canada, the economic burdens of dementia will double every decade, increasing from $15 billion in 2008 to $153 billion in 2028. The number of Canadians 65 and

over living at home with dementia is expected to jump from 55% to 62%. This translates into an additional 510,000 people in this type of care by the year 2038. Most will seek some type of community care, resulting in a significant shift from long-term care toward home or community-based care.

In partnership with the Ontario government, we have the opportunity to curb this spending by investing in prevention and health promotion efforts related to brain health.

What needs to be done? The Alzheimer society's report Rising Tide: The Impact of Dementia on Canadian Society finds that there are four interventions that are going to be critical in reducing the impact of dementia: increasing physical activity, delaying the onset of dementia, caregiver training and support, and system navigation. Today we are focusing on interventions related to prevention.

Dementia prevention: Several prevalent health problems present significant risk for dementia. Type 2 diabetes, vascular disease, hypertension, strokes and obesity are prevalent diseases that are so highly related that comorbidity is common. In fact, the chances of having cognitive decline when one has type 2 diabetes and hypertension are significantly higher than for a person who does not suffer from either one of these conditions. A recent study refers to Alzheimer's disease as type 3 diabetes. Diabetics increase their chances of developing Alzheimer's by up to 65%, compared to those without diabetes. Researchers believe Alzheimer's develops when the brain becomes insulin-resistant, much like type 2 diabetes.

Although cardiovascular disease, obesity and type 2 diabetes may be the result of lifestyle choices or family history, these diseases can be managed through many avenues, including diet, exercise and reducing stress in your life. The same activities that keep the heart healthy, such as good nutrition and exercise, will produce and maintain a healthy brain. Challenging cognitive activities can also help to reduce age-related cognitive decline.

It has been indicated that at autopsies, 60% to 90% of those with Alzheimer's disease show cerebrovascular pathology. The links between heart health and brain health are becoming increasingly recognized, including the growing realization that issues related to vascular health play a significant role in the expression and severity of dementia.

We urge the Ontario government to dedicate more resources to health promotion and prevention of chronic diseases in order to help stem the tide of dementia. The Alzheimer societies across northern Ontario believe that as part of a cultural shift, programs like First Link can strengthen the delivery of health care support. First Link is a referral process in the community that can provide early access for families into this health system and help them gain awareness of Alzheimer's disease and/or related dementias. This allows planning, effective coping strategies and knowing where and when to access the community resources that can offer relief.

Today, we are asking you to: invest in prevention—prevention investment now will avert future costs, as we have demonstrated in Rising Tide; broaden an active-living message to all generations—special supports to enable access to opportunities for all groups.

Today, we thank you for recognizing our efforts in providing the necessary services that assist our community.

Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission. The questioning will go to Mr. Zimmer.

Mr. David Zimmer: I was the president of the Alzheimer Society of Canada for a number of years, so I appreciate everything that you're saying. Can you help us with this question? Obviously, if the Alzheimer societies need more money and so forth and so on, I understand that, but in a world where we have a $24-billion deficit and where tax revenues are down 47%, there are really only three ways that the province can get its finances under control: either raise taxes, cut services or build up the economy so that we get those tax revenues back.

What advice would you have for us in terms of getting the finances of the province back in shape so we can help the Alzheimer societies of Canada and Ontario?

Ms. Linda Brown: What I can tell you is that I'm a counsellor at the Alzheimer Society, and I deal every day with families who are trying to cope and manage with dementia people—with family members, whether it be a parent or a spouse or an aunt or an uncle, or simply a friend.

I had a case not too long ago where the spouse could no longer manage for her partner. He was totally incontinent, got very aggressive and we had to, unfortunately, hospitalize him. In turn, his income basically left, and she was left with very minimal income.

Part of our job as counsellors is offering support systems and education, but I found myself in a position where I had to help her find affordable housing and help her find other sources possibly of income because she also had some severe medical illnesses. When you see that, it's heartbreaking—

Mr. David Zimmer: No, but the question is, where would the province get the money to help? Have you got any ideas on that?

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Ms. Linda Brown: I think you need to really focus on making people aware and providing education for a lot of preventative stuff. Where you're going to get the money from—I mean, people don't like tax increases, services don't like their services being cut—

Mr. David Zimmer: So what would you do?

Ms. Linda Brown: I don't know what I would do. I wouldn't want to be in your shoes.

Mr. David Zimmer: But that's the core problem that all governments have: finding sufficient monies to pay for all the very good things that we all need and want. That's what a budget is all about: How are we going to find the money?

Ms. Linda Brown: I think when you're doing your budget, you have to look at what your costs are going to be, not just today and tomorrow. Are they going to increase in the future? If they're going to increase in the future substantially, such as we indicated with our numbers, as we were expecting the dementia and Alzheimer's cases to increase, I would think you'd want to put in measures where you increase your spending or to take a look at what we're going to do.

We know this problem is going to be coming in 10 years; what are we going to do today? Is it best to increase taxes now, putting it into prevention so that 10 years from now, we don't run into the problem where we're going to have 510,000 extra people who we're going to have to provide service for because we can't leave them out on the street? Then what are we going to do?

It's a long time that we've known that these baby boomers are coming up and that the health issues with that are going to increase. We've known that that's been coming, but what have we done to prepare for it? We're having problems. We know that we're in economic hard times and we know that we have an enormous deficit, but what are we going to do with these people? We can't put them out on the street. They can't live alone.

Caregivers are getting sick. They're burning out. They're being hospitalized for other conditions—

Mr. David Zimmer: I appreciate that, but we're back to the problem. Where will you find—can you help us with some thoughts on where you would find the resources to handle all of that? It should be handled. We could raise taxes. We can cut services in other places. We can have a whole lot of initiatives to rebuild the economy and generate more tax revenues to pay for everything. Do you have any ideas on which of those initiatives—

The Vice-Chair (Mrs. Laura Albanese): The time has unfortunately expired, Mr. Zimmer.

Thank you for submitting to our committee this morning.

Ms. Linda Brown: Thank you.

Mr. David Zimmer: You see how hard the problem is?

Interjection: You're supposed to have the solutions, not her.

Mr. David Zimmer: I was asking for advice.

The Vice-Chair (Mrs. Laura Albanese): Thank you for submitting to the committee this morning.

LEISUREWORLD CAREGIVING CENTRE, NORTH BAY

The Vice-Chair (Mrs. Laura Albanese): We will now call on Leisureworld Caregiving Centre, North Bay. Good morning.

Ms. Ruth Gauthier: Good morning.

The Vice-Chair (Mrs. Laura Albanese): I would remind you that your presentation will be up to 10 minutes, and five minutes for questioning, which in this rotation will come from the official opposition. If you could please state your name.

Ms. Ruth Gauthier: My name is Ruth Gauthier. I am the director of administration at Leisureworld Caregiving Centre in North Bay. I have been with Leisureworld for 25 years in various different capacities. I've worked as a health care aide, RPN and RN. I was the director of care and now I'm the director of administration.

Leisureworld Caregiving Centre is an OLTCA member home, and we're represented by them. Leisureworld Caregiving Centre, North Bay, is home to 142 long-term-care residents and six convalescent care beds. We've been providing services to the community of North Bay as Leisureworld since 1981.

Over that period of time, we have seen changes in many areas requiring increased surveillance and expertise of our care providers. This includes more stringent infection control practices; an aging, more frail client base with multiple diagnoses and medications; and a mix of age groups with specialty needs including developmental disabilities, dementias, mental health diagnoses and chronic illness. We've seen an increased demand for auxiliary services such as occupational therapy, physiotherapy and speech language pathology. We've also seen an increased public awareness and demand for services and increased reporting accountability and standards; we have no problem with that.

We have been able to contribute to this higher level of care that is required by renovating our facility to create an Alzheimer's dementia care unit; increasing our staff skill level to allow for complex conditions and admissions with complex wounds, where appropriate; enteral feeding; and monitoring infusions, which are things that, in my experience, 25 years ago we would have never seen in the home.

We also provide six beds for the delivery of convalescent care to the community. This initiative in particular has allowed for better access to client health care in the community. The program allows for an additional 90 days of convalescence to clients, better preparing them for a return to their home in the community. This helps to relieve pressure on the health care system, freeing up space for more acute needs. It contributes to clients being in the right place at the right time and receiving the right level of care.

I'm appearing here today requesting your support to ensure that the necessary deficit management measures that are put in place do not result in reductions to the care and service level that our residents need. We're concerned that if the budget does not enable us to maintain our current care and service capacity, the result will be felt by the residents and the access to health care in our community.

Residents, families and our community partners are very sensitive to even minor changes in our ability to provide service. Some of the areas that could be affected by this would include our admission processes and our capacity to admit in off times, like on weekends, or the number of admissions we might be able to take in one

day. This affects both the clients and the service providers, because we are very well aware of the growing ALC, or alternate level of care, pressures in the northeast and how extra time and an inappropriate placement affects our clients. Our ability to manage complex care or special needs such as behavioural issues is affected by minor changes in our available service, as the needs of these clients can tip the scales as to what we can handle and still maintain a safe and risk-free environment.

In 2009, the Ministry of Health and Long-Term Care recognized risks from the erosion of funding for support services and found $43.5 million in their budget to help stabilize existing support service levels. This meant that we were able to maintain our staffing levels and the flexibility to address mandated changes in areas such as infection control, where decisions at the provincial level affect the long-term-care environment and what expectations we need to meet. We were thus able to maintain excellent infection control for our residents, staff and families. In addition, this allows us to continue to maintain our ability to relieve pressure on our community partners with the local ALC problem. This funding was identified as one-time, and even though it has been included in the 2010 budget submission to the finance ministry, there is no assurance it won't be cut.

The requirements for infection control will not disappear if the funds do, so loss of this funding could potentially decrease our ability to maintain the increasing standards we are being asked to meet and possibly result in downtime, where we cannot fill our beds during outbreaks and such things. This will affect our ability to admit residents from the hospital who present with infection control issues, such as C. difficile and MRSA, which require extra precautions. We currently realize a large amount of pressure to accommodate these types of issues in the home, and we are able to at this time. Any decision not to continue to fund the 85% of homes' property tax costs or to continue to adjust the resident copayment would have similar impacts on support service levels.

The government has recognized this as an area of need—as evidenced by past practice—and needs to continue in this direction. Any decision not to continue the annual adjustments to direct care funding will impact the home's ability to retain nurses, PSWs and other direct care staff and thus the home's overall care-delivery capacity.

Direct care funding is normally adjusted 2.5% to 3.5% annually, which enables homes to absorb wage increases and the impact of CMI adjustments on staffing levels. In the absence of this adjustment, we would have no choice but to adjust staffing levels accordingly. As an RAI-MDS pilot home, our CMI has been frozen for the past three years at 104.03. Our CMI has remained constant, and we would not have been able to maintain our levels of staffing without that acuity and stabilization increase.

The long-term-care sector is facing new requirements that have significant costs which, if not fully funded, will result in care and service reductions. The HST will increase total net operating costs for the 360 publicly funded, privately operated homes by $12.2 million and trigger a service reduction to 40,000 of the province's 76,000 residents based solely on operator type. We are one of those homes. This cost has been calculated by our association as after any income tax benefits and input tax credits are accounted for. We do not get the MUSH sector rebates for GST, and we will not get the provincial portion of the HST on past tax-exempt items and utilities. Service reductions are the only option for us to manage the costs: on average, one full-time equivalent per affected home.

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Draft regulations under the new Long-Term Care Homes Act contemplate additional direct and indirect costs: $34 million to meet increases in food service worker hours as well as overall nursing care administration. If not funded, long-term-care homes will not be able to comply without reducing care and services elsewhere in the home.

I'm requesting the committee's support to ensure that resident care and service levels do not become a deficit-reduction solution by continuing to fund the $43.5-million 2009 increase, as well as the annual funding adjustments, the property taxes and the resident co-payment increase to stabilize support service levels. Continue the annual adjustments to direct care funding to stabilize nursing and care staff levels, and avoid imposing new requirements like the HST and the regulations unless the costs are fully funded.

In closing, on a regular basis, we are asked to admit clients in crisis, or multiple clients late on Fridays and on weekends, when our external resources are decreasing. Currently, we comply with this when everything is in place in advance and it's safe to do so. We want to help support our community partners. If our care and services decrease, we will not be able to continue to safely support these clients in transition at these times.

Also, with the way our funding is now, we have a certain amount of flexibility at times to do individual things for residents, and we want to be able to continue to do that to make sure that they're in a home-like, caring environment that meets their individual needs.

Our residents and their families expect to find many things in long-term care, things that support a safe, caring, quality, home-like living environment for those who need it most. They don't expect to find care and service reductions.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. We will now turn it over to Mr. Shurman.

Mr. Peter Shurman: Thank you very much, Ms. Gauthier, for an excellent presentation. If I may be permitted a personal comment, my mother spent her last two or three years with Leisureworld and got an excellent standard of care. In my professional life, I've had a chance to talk with the senior management of your operation, and it has given me a bit of a background. In fact, I'd like to delve into that and ask you a question.

I know that there's a question of transferability between the allocation of funds that go, for example, to food, to shelter and to care, so that if you have an excess in one, you can't just write a cheque and make it go into another. Do you think that those kinds of regulations, that kind of enforcement, has to be revisited?

Ms. Ruth Gauthier: It might be something to look at, because right now you can't transfer things from one area to another. Programs and nursing have a certain allocated envelope amount, so if you don't spend it all, you pay it back at the end. It would be nice to be able to use those funds in other areas. You want to spend everything you have in the first place, but if you happen to end up with a surplus, you could put it in other areas. There are some fairly stringent rules about what you can spend those dollars on.

Mr. Peter Shurman: So it's not just a question of continued funding and being able to meet the growing demand; it's also a question of increased flexibility.

Ms. Ruth Gauthier: More flexibility would be helpful as well.

Mr. Peter Shurman: Okay. Let me get you to expand a little bit on the HST issue. This is obviously a controversial thing. It comes into play on July 1, and it affects you, as you have mentioned. Do you think that the government should have looked, before enacting legislation, at organizations like yours and said, "There is an impact without the appropriate input tax credit"?

Ms. Ruth Gauthier: I would like to think that before those things were actually put into place, that might have been looked at as part of the consideration to start with, so that all those areas that this was going to affect would have been examined to see if it was a feasible thing for them. It will impact us because things that weren't taxed before now will be, so our budget needs to absorb that.

Mr. Peter Shurman: Do you have a figure, for example, for the home that you represent in dollars that would be hitting you on an annualized basis—say, in the full calendar year next year?

Ms. Ruth Gauthier: No, I do not.

Mr. Peter Shurman: Could I ask you if it's in the thousands, tens of thousands or hundreds of thousands? Would you be able to give me a rough estimate?

Ms. Ruth Gauthier: Probably tens, but that's just a guess on my part.

Mr. Peter Shurman: Okay. Back in 2003, there was an allocation of a $6,000-per-patient increase, which was given over, in the budget, to the care of patients in facilities like yours. Has that been fully delivered upon?

Ms. Ruth Gauthier: Would that be the dollars that were flowed in relation to the increased service requirement of two baths a week?

Mr. Peter Shurman: I believe so, yes.

Ms. Ruth Gauthier: At the time, our home was able to add staff to meet that additional requirement, which was great, because I know there were homes that were not able to do that; those dollars perhaps were just going to help them cover what they were needing to meet now. But in our case, we were able to add staff.

Mr. Peter Shurman: You were in the room when the Alzheimer people presented, and my colleague from the Liberal side asked a lot of questions about, "What would you do in the face of a $25-billion deficit? Something has got to give." I'm going to play on that question and ask you not to make a recommendation, because I don't expect you to be able to tell us anything other than "Please don't take anything away from us." In the absence of any increase for you, you wind up with a diminished level of service that you've adequately described. What happens to me if I'm one of your patients in a year or two years, absent any increase in funding?

Ms. Ruth Gauthier: If you maintained everything where it was and didn't take anything away, with all those acuity increases and stabilization increases that we normally get, funding the new initiatives and helping us with the HST piece, I would think we would be able to maintain services the way they are.

That being said, we all know that could be better across the board in long-term care. There was a lot of review done of long-term care and discussion about the services that are in long-term care and how it needs to be better. We all could be there someday, and what would we expect to see when we get there? I would want to see no reductions.

Do I have an answer as to how I think the province could do that? Well, I guess if I knew where all the money went, I might be able to do that. If I was to review every little envelope, maybe I'd have a better idea—because I have to work within my budget.

Mr. Peter Shurman: Thank you so much.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your time.

I now call on One Kids Place.

The Clerk of the Committee (Mr. William Short): They're not here.

The Vice-Chair (Mrs. Laura Albanese): The next presenter is not here, so we will take a five-minute recess.

The committee recessed from 0958 to 1004.

ONE KIDS PLACE

The Vice-Chair (Mrs. Laura Albanese): We're back. We will now hear from One Kids Place. Please state your name before you begin for the purposes of our recording Hansard. After that, you may begin.

Mr. Peter Chirico: My name is Peter Chirico. I'm the chair of One Kids Place here in North Bay, our new children's treatment centre. I'm wearing a couple of hats today; I'm also deputy mayor of the city of North Bay. With me today is our mayor, Vic Fedeli, to join me in our presentation on the pre-budget consultations for the city.

I apologize; I believe that One Kids Place was to have someone here at 10 o'clock. I'm sort of unscheduled; I didn't realize that we were having a presentation. But I can certainly speak on it briefly, because I would like it to be noted that, along with my role as chair of One Kids

Place, I'm also the treasurer of OACRS, which is the Ontario Association of Children's Rehabilitation Services for the province, for kids with special needs. It's a very strong group which represents all the children's treatment centres across the province. We have an ask that is coming forward, certainly this year, for stabilized funding and increased funding for children's rehab services. We believe it is very important because we have had a freeze on increased spending to deliver those services and those needs for our children, certainly the ones who need it the most. Children with special needs need this increased funding.

We are very thankful that we were able to open, last year in September, our children's treatment centre, One Kids Place, here in North Bay. If any members would like to drop down and see it, it's absolutely beautiful. Norm Miller was able to join us, and I think, Norm, you were suitably impressed with the facility and the services that we deliver.

The main message that I do have with regard to both OACRS and One Kids Place is that we do have an ask in front of the minister for stabilized, increased funding so that we can proceed with the programs, the integration, the partnerships that we are forging throughout the province. Whether it comes to school support, whether it comes to children in need of dental facilities, all of these services are very important to our children. In essence, that is our request: that we receive stabilized, increased funding, because we've been flatlined for the past three years.

That, unfortunately, is about all I can say at this point. I don't have a written presentation. I will make sure that we do have a written presentation forwarded to you. I know that OACRS is presenting to the budget committee over the next few weeks at another location.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that.

CITY OF NORTH BAY

The Vice-Chair (Mrs. Laura Albanese): We'll move on to the next presenter. We welcome the mayor of the city of North Bay, Victor Fedeli. Again, if you could state your name for the record, and after that you will have up to 10 minutes for your presentation, which could be followed with five minutes of questioning.

Mr. Peter Chirico: My name is Peter Chirico. I'm the deputy mayor of the city of North Bay and budget chief for the city.

Mr. Victor Fedeli: I'm Victor Fedeli, the mayor of the city of North Bay.

Mr. Peter Chirico: I'm very pleased to have the mayor with me. We didn't know if he was going to be back in time for this, so I certainly am pleased to have him here with me.

Thank you very much for having these consultations. We believe that they're meaningful, and that is why we're here. I have a number of comments. We will be submitting a written submission before the deadline, and that will follow.

Ladies and gentlemen, many northern communities, including the five northern cities facing uncertain economic times, crumbling infrastructure and increasing pressures on operating budgets, were optimistic that the release of the Provincial-Municipal Fiscal and Service Delivery Review in October 2008 would provide the desperately needed shot in the arm, some relief from the rapidly increasing costs that have plagued us and our property taxpayers for several years. We were hopeful that the uploading of costs would provide tax room that would allow us to close that infrastructure gap that we all face.

The consensus report was a good deal for property taxes in Ontario. The relationship between the province and its municipalities has turned the corner with the announced long-term program to upload social assistance and court security costs, which will ultimately result in $1.5 billion a year in net savings for the municipalities. By taking back full funding responsibility for these social assistance programs, the province is eliminating a major area of uncontrollable financial risk and uncertainty for municipalities and reinforcing the principle that the property taxpayers should not bear the responsibility for these income redistribution programs. We have moved from an era consumed with the frustrations of downloading to an era we can look forward to with uploading.

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Unfortunately, the review did not address changes to the structure of the Ontario municipal partnership fund to ensure that the net benefits from the uploading announced would benefit all municipalities more equitably. Most of the municipalities in the north, and in particular the five major cities in the north, have received no net benefit—and I emphasize that: no net benefit—from the uploading in 2008, 2009 or 2010. The full benefit has been clawed back by an equal deduction in the social program grant component of the Ontario municipal partnership fund. The net benefit per household for northern Ontario, in both the short term and the long term, is far less than the net benefit per household for all other regions of Ontario.

We've been encouraged, obviously, by the significant infrastructure funding provided by the provincial and federal governments over recent years. All of these fundings, from MoveOntario and the Investing in Ontario Act to roads and bridges initiatives and dedicated tax, have helped and are helping with the backlog in that infrastructure that we have to address as communities in the north.

Our challenge, though, is to identify reliable funding sources that will bring annual predictable capital funding levels to that sustainable level that we talk about in our infrastructure gap and infrastructure management report. The report has confirmed that the city of North Bay needs to increase our annual infrastructure investment by about $20 million per year to reach the recommended sustainable level. This is almost double the current $25-

million level of capital funding that we have provided from debt financing, tax operating levy, water bill levy and development charge sources.

Our roads: We all know the state of the infrastructure throughout the province of Ontario, and I'm not going to go through each and every one of the things we need. We know that we need it. The Provincial-Municipal Fiscal and Service Delivery Review included an excellent report by the infrastructure working table, and the consensus was that municipalities recognize the need to increase their investment. Municipalities benefiting from the upload of three major social assistance programs as a result of this review will have greater room in their budgets for infrastructure spending. The conclusions of the report in actions are clear. To address this, the amount of some $1,200 per year per tax household in the province of Ontario, or an average increase of almost 50% to the current residential tax bills, will be required to fund this infrastructure gap.

The cities of the north need a significant net benefit from the uploading announced in the Provincial-Municipal Fiscal and Service Delivery Review to ensure they can continue to address the severe infrastructure investment gap. One item that is not addressed in the Provincial-Municipal Fiscal and Service Delivery Review, plus any of the funding that comes to North Bay, is the fiscal health of those communities. We don't address the fiscal health; we don't address the ability to pay. Unfortunately, the way that the formula is structured at present, it uses assessment and assessment values as the majority of the tool to provide those grants. Unfortunately again, we in the north have special needs. We in the north have lower per capita income; we in the north have worse health care outcomes. We in the north have all of these problems that plague us, and it does not allow us to address them, with the exception of placing that onto the property taxes.

The fiscal health of northern municipalities demonstrates the need for a relatively higher net benefit from uploading, not the lowest net benefit as a region.

Over the past number of years, larger shares of increase in the OMPF funding have benefited other regions of Ontario. The level of unconditional block funding from the province has risen considerably since 2004, and although there have been winners and losers across the province since the introduction of OMPF, a lower share of the total increased funding distributed appears to have been directed to the poorer regions of Ontario. The following summary, which you will receive in writing, will summarize where the funding has gone to and what the increases have been.

Needless to say, in northern Ontario, we have been the lowest, at 15.1%, versus the city of Toronto, which has received 100% net benefit.

We would argue that municipalities in northern Ontario are generally more in need of additional funding than municipalities in the high-growth areas of the GTA and central Ontario, and this trend will continue if the net upload benefit per household is not adjusted by changing the structure of the Ontario municipal partnership fund.

Our CFO, Brian Rogers, worked with the AMO group, looking at how it is distributed and the formula, and unfortunately it stops short of readjusting the formula. What has happened is, we have been clawed back. In our 2010 budget, this year alone the net benefit decreases to the city of North Bay by some $545,000. You may say that $545,000 is not a huge number, but that represents a 0.84% tax to our municipal taxpayers. Each and every one of them is going to not receive those monies. We have to adjust our budgets, trying to address our municipal infrastructure gap and increase spending in the right areas, not "want" projects but "need" projects. Our infrastructure is obviously very important to it.

The OMPF should not compensate municipalities for costs they will no longer have. We agree with that.

The social program assessment threshold component is where we think it's broken and where it doesn't address the specific needs of northern Ontario communities. Every one of the major northern Ontario communities is not receiving a net benefit from these uploaded costs—and trust me, we are very thankful that they are moving forward with the uploading.

Some of these uploads, as we know, don't start until 2012-13, such as court security, and won't take full effect until 2018. We have a number of years, and obviously municipal planning and municipal infrastructure spending can't take that moratorium through those days. So we are asking that you please bring consideration to revising that formula, opening that back up, to make sure that the cities of the north that need it most—we are not high-growth. We are declining in population; we are declining in taxpayers, with the exception, I'm pleased to say, of the city of North Bay. But at the same time, the tax burden that is being placed on the residential taxpayers, which is against the philosophy of this upload, is certainly a concern to us.

The Vice-Chair (Mrs. Laura Albanese): You have 20 seconds.

Mr. Peter Chirico: I'm going to wrap it up.

The uploading of the social program costs back to the province was the right thing to do. We applaud the province for this fundamental shift in fiscal responsibility.

The benefits of uploading are not necessarily going to the municipalities that need it most. In fact, many municipalities with the poorest fiscal health and largest infrastructure investment gap have received no net benefit in 2008, 2009 and 2010. We are trying to do what is right for our citizens.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now turn it over to Mr. Prue. The questions are in rotation and it is the NDP's turn.

Mr. Michael Prue: The last time I was in North Bay with the finance committee—because I've been here several times since then—there were some deputants talking about the poverty rate in North Bay—not so much the poverty rate, but even those people who were employed had very low per capita incomes, just barely above the minimum wage at that time. What are the

wages like in North Bay today for the citizens? Is it still around the minimum wage, which is now up to $9-something?

Mr. Victor Fedeli: Not much has changed in that aspect. We have a couple of companies that are on the higher end, in our aerospace sector, but the largest single employers are still the two call centres—certainly one. One is going through some trouble these days, as in other communities. Nonetheless, that hasn't changed in North Bay.

Mr. Michael Prue: The reason I'm asking that is because this is not a rich community. All of the northern cities are in financial crisis, and you've pointed that out. How does North Bay compare to the financial crisis of Timmins or Sudbury or Thunder Bay or Sault Ste. Marie?

Mr. Victor Fedeli: We have done everything we can. Thanks to some serious fiscal prudence on behalf of our budget chief we began six years ago, we really saw a program to generate—we had the lowest reserves in all of Ontario six years ago; dangerously low. We went on a real spree of selling property. One hundred and eight lots were available in North Bay that the municipality owned, and we went on a spree of selling them, not to put the money in our operating budget but to put it in our reserves.

1020

We went from the lowest in Ontario to now having reserves of $22 million. Why I tell you that is, it helped our Moody's rating. We were bumped upwards five times, so our borrowing rate is cheaper. That's the long way to tell you that. We still borrow, but we crossed a threshold two years ago July where we now pay back more every year than we borrow every year. That's a threshold that we crossed for the first time.

While we still have tough economic times—our unemployment is astoundingly high, according to StatsCan. One year ago they announced it at 5%, which I thought was astoundingly low, and last month they announced it at 12%, which I thought was astoundingly high. We have to base our analysis on the statistics, but sitting on our social service board, our DSSAB, as we call it—the deputy mayor sat on it as well—we have the highest ODSP in all of the province. It's twice the provincial average. That has not changed.

Mr. Michael Prue: Thank you for that. The reason I'm asking that is it seems untoward that the province of Ontario would, first of all, give you no net benefit and then claw back money in a community with such social and economic challenges. I'm really quite appalled when I listen to this. You've obviously raised this before. What was the answer?

Mr. Victor Fedeli: I can tell you, we have the same concern. We know there's light at the end of the tunnel. That much I will give you: There is light at the end of the tunnel. But for North Bay it's not until 2012-13. We have sat with the finance minister and we understand the answer is, "We can't pay you twice. If we upload, we're not going to pay you for things that you're no longer doing."

The problem is—and when we sit at AMO presentations and we tell MPPs, many MPPs will hear this for the first time. We look at the press release that we just saw from the Minister of Finance where they talk about all the uploads and the benefits of those uploads. Municipalities were able to use that money in their infrastructure. I'm sure that's true for Ottawa and Hamilton. As they uploaded money, they clawed back any money that you got on the OMPF. Hamilton and Ottawa only had a tiny amount, so if they uploaded $14 million and clawed back $6 million, their entire $6 million, they still got $8 million. This year they'll get $16 million uploaded and keep it all. We got uploaded $2.5 million, clawed back $2.5 million. This year we got uploaded $3 million and clawed back $3 million. So until our OMPF is back at zero—then, when they give us an upload we actually get to keep it, that's 2013.

Mr. Peter Chirico: And if I could, when we look at that, that is where we believe that the Ontario municipal partnership funding formula is broken. It doesn't work and it doesn't address the specifics in northern Ontario and especially in the city of North Bay. When we look at the assessment base, which does not calculate the wealth of your community—assessment is basically supply and demand on housing and that's all it is.

In our specific case, in the city of North Bay, where we don't have a large rural component of assessment, most of it is city-centric, so to speak, and the balance of it is waterfront homes, which raises our overall assessment value in that part of the formula. The least that we could ask is that at least, under the northern communities grant component, which has been flat and remained at $235 million—we ask and we have asked before that that portion, just on the northern communities grant, be increased. It would approximately amount to some $17 million for all of northern Ontario.

The Acting Chair (Mr. Kevin Daniel Flynn): Thank you, Peter. That would be a good place to end. Our time is expired. We're actually over by a minute.

Thank you very much for coming today. Your presence was appreciated.

CANADORE COLLEGE

The Acting Chair (Mr. Kevin Daniel Flynn): Our next speaker this morning is the president of Canadore College, Barbara Taylor. Barbara, if you would come forward. Make yourself comfortable. Like everybody else, you get 10 minutes to make your presentation, and then we'll leave five minutes for questions.

Ms. Barbara Taylor: Great. Thank you very much, and thank you for allowing me to speak to you this morning. I'm Barbara Taylor, the president of Canadore College. You have some notes, and our Colleges Ontario provincial association is so good that the generic part of the speaking notes got left in the title. I'm one of five college presidents who I believe are addressing you as a group. I promise I'm not going to repeat word for word what my four colleagues may have already shared with

you, but I want to reinforce the message that we are presenting not only today as the president of Canadore College but also as a member of Colleges Ontario, which represents the 24 publicly funded colleges in this province. We think we have an important message to give, and so I just want to perhaps hit some highlights.

First of all, I'd like to give you a very brief description of Canadore College for those of you who are not familiar with it, although I know David and Norm are both aware of what we do and part of the contribution we make to the region.

We have approximately 3,500 full-time students per year. That includes students in diploma and certificate programs, as well as apprenticeship and adult upgrading students. We serve the districts of Nipissing and Parry Sound. We have three campuses here in the city of North Bay: one of them a specialty aviation campus, which is an amazing facility up at the airport; a trades and technology campus on the south side of the city; and then our main campus on the north side of the city, which we share with Nipissing University.

We are building a new campus to replace our rented facility in the town of Parry Sound, serving the district of Parry Sound. Hurray. That's very exciting. We also have a rented facility in the municipality of West Nipissing where we provide service to that community, although Collège Boréal is a larger presence there, given the preponderance of francophones in that community, but we work closely with Boréal. We also offer adult upgrading out of a secondary school in Mattawa and plan to do the same in partnership with the Near North District School Board in the district of East Parry Sound to the south of us, along the Highway 11 corridor.

Over 10% of our students are aboriginal, and that population is growing. Close to 60% of our students are not coming directly to us from high school but have been out of school for a period of time. They may be in their early 20s, they may be in their 50s, or anywhere in between.

We have a unique partnership with Nipissing University, and when I get to the efficiency part of the presentation, I'll reference that again. We have probably the best college-university partnership in the province because, as you may be aware, colleges and universities do not always see eye to eye on how to fulfill our mandates and serve our communities and our province. We share our largest campus. We have just concluded a successful $25-million campaign to build a joint library, including $18 million from the province of Ontario as well as $1 million from the northern Ontario heritage fund. We raised the balance in the current economy in this region, and I think it demonstrates the tremendous support that people in the region have for the two institutions. When we work together with the university, we can offer our students and our communities better facilities, better services, and a better quality of education than we could if we didn't work together.

At the same time, we have distinct mandates. We're very different institutions, but we make it work on all sorts of levels. We share services where that is cost-effective, and we look at everything that we do, both institutions attempting to be as efficient as possible and put as much money into the classroom and to serve our students as we can.

There are four parts of the Colleges Ontario pre-budget submission: the college vision for higher education which the 24 colleges have submitted; the labour market challenge; strategic investments to preserve quality and strengthen the economy; and cost-saving strategies.

Under the vision for higher education, one of the key issues that we deal with here is the lack of clear and transparent mobility between colleges and universities. College graduates are often almost sent back to the beginning to start all over again. That wastes the taxpayers' money because it duplicates the amount of investment that the government needs to make in colleges and universities, and it also obviously extends the time and money that the individual student is expending.

I would like to point out to you—because you will hear from my colleagues and from our association the examples of where it isn't working—where it is working, which is right here in the districts of Nipissing and Parry Sound. The last data I have for the number of diploma graduates at Canadore College going on to degree completion is at 16%. That's significantly higher than pretty well anywhere else around the province, and almost all of those students are going on to degree completion at Nipissing University.

1030

In addition, one of the things that we will be doing, in partnership with the university in the year to come, is tracking underrepresented students who have made that transition. Anecdotally, we know through our aboriginal counsellors in both institutions that many aboriginal people who would not contemplate going to university after a successful college experience, and particularly when they're co-located with the university, do in many instances go on to successfully engage in university-level education.

I'm one of the chief cheerleaders in our sector for the value of the diploma, and the diploma gets people jobs, but I'm also a very strong proponent of the fact that the citizens of Ontario, and particularly those in underrepresented groups in post-secondary education, need to have clear pathways that facilitate their education, not provide barriers.

We are working with the other colleges and the universities, but we strongly feel that money can be saved by improving credit transfer, again, both to the individual and to the province of Ontario, and in fact that that will speed the entrance of highly needed skilled graduates into the workforce in the province.

The labour market challenge is an interesting one because while on the one hand we deal with the unemployment issues that come from the economic downturn and some of the restructuring, particularly in the manufacturing sector and of course here, in the north, in the forestry sector, at the same time employers are

telling us that they are short the skilled workers they need. Those shortages are acute in some of the skilled trades; they are acute in many areas of health sciences, and they will continue to be across the range of college apprenticeship and diploma programs.

While we understand the financial realities that the province is facing, we also urge the province to look at funding for colleges in order to sustain increased enrolment growth as an investment in the future of the province and an investment in the economic recovery of the province. We do understand there are tough choices, and one of the things the college sector has been and will continue to be very proactive in is providing the indicators and the accountability measures back to the government to ensure that the money that is being spent in colleges is in fact having the desired outcomes. The key performance indicators, the employment and employer satisfaction rates, continue to be high for colleges in Ontario. The enrolment has grown provincially about 7% this past year; at my college, it's grown almost 12% this past year, and we have no indication that that will not continue.

The Vice-Chair (Mrs. Laura Albanese): You have about a minute and 30 seconds left for your presentation.

Ms. Barbara Taylor: Thank you. So I'm going to jump to the ask, which is growth funding. We request that the province commit $163 million to address enrolment pressures and provide quality programs. We need to keep growing and we simply can't do it unless there's additional funding to allow us to grow. I don't want to be in the position, as the president of a college, to say to someone, "I know that you need this education, but we can't take you because we simply can't expand."

We're also requesting $12 million to expand e-learning programs so that we can go to people, again, particularly people in underrepresented groups and in smaller communities, which is certainly an issue for municipalities and First Nations in the north.

Finally, very quickly, in terms of some of the savings and the economic efficiencies that we require, we do, as colleges, have a track record of working together—everything from curriculum development to energy savings, and as I mentioned earlier, in our case here in the districts of Nipissing and Parry Sound, we also have at Canadore College a track record of finding efficiencies with our partners at Nipissing University.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. The questioning will go to the government side. Mr. Ramsay.

Mr. David Ramsay: Barbara, thank you very much for coming. Let me say that we're very proud of the job that you do on behalf of this area in providing post-secondary education. You've got a great reputation in that school, and I think it's a great example with the co-location too that you have with Nip U, as we say it locally—Nipissing University. It's great.

I'd like to talk a little bit about the credit transfer. This is something that has interested me for a long while now. It saddens me, because when I look south of the border, there seems to be an integration of junior colleges with universities, and they sort of flow from one to the other, and it provides more opportunity and savings of expenses because people can stay in their local towns before they go on to university. You've obviously got a great record here of having that co-operation. I wonder what the secret is with you. Maybe it's because you're in each other's faces because you're co-located. What's going on there that isn't happening—and I will add my bias to this: It seems to me that in Ontario there is a bit of an elitist attitude in our universities, that we don't want to co-operate with our colleges. So my other question would be: What could we as a government do to help with that, to nurture that relationship and get more co-operation?

Ms. Barbara Taylor: First of all, I think one of the reasons it works here between Canadore and Nipissing is that the communities keep us honest. We're small enough that everybody knows everybody. All the people on the Nipissing board know all the people on the Canadore board. There are expectations in the community that the two institutions will work together, and when there have been times in the past when they haven't, believe me, there's some community pressure. You get the phone calls, as the president, around why you're not doing the things you need to do.

I think, as well, it's because of the demographics of our part of the province. We have to work really, really hard to have our enrolment managed strategically and to ensure that our institutions remain competitive with those in the southern part of the province. Over the years, I think it has become apparent that we're in this together and that there's probably more of a bond between the college and the university, given that both of us have the service to the region, than there might be between the college and other colleges and the university and other universities. It probably also helps that Nipissing is a new university, so we haven't got a century or two of precedent.

I think it's important that we distinguish colleges from junior colleges in the US, because we're not a transfer model. In a transfer model, the university that receives the graduates tells the college what the curriculum is. In our model, employers tell us what the curriculum is, employers tell us what the skill sets should be, and we develop the program standards which are approved by the province.

One of the things that we're working on, and I think where the government could really help us, is to focus on credential recognition as opposed to credit transfer. Credential recognition means—and we have some examples at Canadore and Nipissing—that the university has agreed that if a student successfully completes the diploma, that represents a certain chunk of what they don't need to replicate at the university. That's very different than a student going in with their transcript and their diploma to a registrar's office and having someone say, "Well, let's see. Is this sociology course the same as this sociology course?" I think if we can get the universities to recognize that a diploma means a certain level of

attainment and then to map that, then we'll have come a long way to resolving the issue.

Mr. David Ramsay: The other area is the growth funding, because obviously what's happening is huge.

How many?

The Vice-Chair (Mrs. Laura Albanese): One minute.

Mr. David Ramsay: We have a recession, obviously, and with the economic reset in society, people are going back to get re-skilled. Is part of the problem the delay in our recognition of the enrolment, that you get funded the next year based on last year's enrolment, compared to elementary and secondary school funding?

Ms. Barbara Taylor: That's part of it, and also part of it is that our funding model essentially is one pie for the ongoing funding year over year. The growth funding is a separate pie, so depending on how much growth there is, the value per student in the growth fund drops. The more students we take, the less money we receive to cover the costs of providing service. That's why our focus on growth is so strong in this submission. There's a point at which you simply can't deliver the programming if the value of the funding per student drops precipitously, and I think it will.

Mr. David Ramsay: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your time this morning.

ONTARIO LITERACY COALITION

The Vice-Chair (Mrs. Laura Albanese): We now call on the Ontario Literacy Coalition to come forward. Good morning. You will have up to 10 minutes for your presentation. There could be up to five minutes of questioning after that. If you could kindly identify yourself for the purposes of our recording Hansard before you begin? Thank you.

1040

Ms. Lesley Brown: Absolutely. Good morning, I'm Lesley Brown; I'm the executive director of the Ontario Literacy Coalition. I want to thank you, Madam Chair and members of the committee. The Ontario Literacy Coalition, on behalf of its members and the 52,000 learners in Ontario, appreciates the opportunity to present today. I also want to acknowledge the importance of the two-year funding provided by literacy and essential skills in the 2009 Ontario budget.

We were also very pleased to see the Premier mention literacy in his speech about Family Literacy Day yesterday. The government and the MPPs of all parties have been extremely supportive of the need to provide Ontarians with essential skills that they need to function as full and contributing members of our province, so I want to thank you all.

You will know that on Friday, Finance Minister Duncan released Ontario's long-term growth report, and in the report the government is clear: "To stay competitive in the future, it will be increasingly important to build on this advantage"—that of a highly skilled and educated workforce—"and continuously improve the education and training systems in Ontario." We couldn't agree more. All Ontarians must invest in education and training, and it is even more critical for those who do not have the benefit and advantage of a post-secondary education.

One in three Canadians aged 26 to 35 and over 40% of people aged 36 to 45 have literacy challenges. In Ontario that's three million people who struggle because of a lack of adequate literacy skills. These people will be in the workforce for the next 20 to 40 years. These statistics come from the International Adult Literacy Survey, known as IALS, from Statistics Canada.

These numbers are difficult to comprehend. It's not that there are many Canadians who are illiterate, but there are far too many whose skills in reading, writing and numeracy are just not strong enough to deal with the daily expectations required in today's economy.

Skill limitations not only affect individuals personally, but the impacts can be felt within the economic and social systems in this province, impacting all Ontarians. Canada's productivity has been falling since the early 1970s, according to the Organization for Economic Cooperation and Development. Here are some statistics: In 2006, Canada stood 16th in productivity growth out of the 23 industrialized nations in the OECD. Canada's productivity growth fell from an annual rate of 2% in the 1990s to an annual average rate of 1% between 2002 and 2006.

Nowhere more than in Ontario has the current recession signalled a profound restructuring in the economy. Our strong manufacturing and resources sectors have shifted to more knowledge-based and service-based jobs, so there's really a great demand and a high need for literacy training today. Waiting lists are growing, and the demand is increasing. Some of the demand was met through the March 2009 budget, but continued support is really fundamentally important. While 80% of agencies increased the total number of training hours offered through the funding incentive, over 60% reported they still had waiting lists. Many programs are also serving clients over capacity; that is, they're serving more clients than their maximum requirements allow.

Ontarians who have lost their jobs will find that the new jobs they apply to have higher skill requirements. The skill requirements of existing jobs are also increasing. The demand for skill upgrading in this new economy cannot be ignored if Ontario wishes to compete globally and increase its productivity. A C.D. Howe Institute report released in 2005 found that an improvement of 1% in literacy scores is associated with an eventual 2.5% relative rise in labour productivity and a 1.5% rise in gross domestic product per person. That comes out to a $15-billion increase in the GDP.

To see this 1% improvement in literacy scores, investment in training is necessary, but I want to tell you that this investment has tremendous returns. In this time of constrained government budgets, it's critical to invest in programming that will yield the highest returns. Invest-

ment in literacy training will do just that. On average, one adult literacy learner costs the government of Ontario $1,426 per year. Compare this to the cost of a person on unemployment, at $5,602 per year. Consider that 42% of students who come into programs state their source of income as EI, OW or ODSP, and almost 70% of those people coming into programs either go on to further employment or higher learning.

With an investment in literacy, there is great potential to move people on to employment in these trying times. Investment in literacy and skills training generates a payback for individuals, but it also accelerates growth in the economy and in productivity, and improves the government's fiscal balance.

In the report Addressing Canada's Literacy Challenge: A Cost/Benefit Analysis, their findings show that "national estimates of" literacy "costs and benefits imply a rate of return of roughly 251% per annum," with "an approximate payback period of 4.8 months." That's "an attractive rate of return by any standard." Investing in literacy and basic skills is really investing in Ontario's economic prosperity.

The Ontario government, with the support of the enhanced federal money, made strides last year with the investment of $90 million over two years. This is most welcome, but we really need to integrate this stimulus funding into an ongoing funding scheme.

We hope that the numbers make a compelling argument, but they don't tell the full story of how investment in literacy impacts the lives of Ontarians. I'm joined here today by student Maurice Labrecque from Canadore College in North Bay, who is a real testament to the success of literacy and academic programs, and I'd like to give the floor to him now.

Mr. Maurice Labrecque: Good morning, everyone. Thank you for inviting me to speak to you today. My name is Maurice Labrecque, and I'm currently a student in Canadore College's literacy and basic skills academic upgrading program here in North Bay. My goal is to complete my upgrading, then enter a college post-secondary program in business accounting so that I can re-enter the workforce as a business professional.

I was employed in the lumber industry in northern Ontario for 30 years in various labour jobs. For the final 16 of those 30 years, I worked as a lumber grader. The last company I worked for closed its doors in June 2006 due to the slowdown in the economy. After I was laid off, I explored my options and applied to many different types of positions. I customized my resumé to match what employers were looking for. I continued with this search on my own until June 2007 without success. I soon lost my confidence, to the point that I no longer wanted to apply for jobs. Due to changes in the workforce and personal challenges, I realized that a career change was needed in order for me to be successful, but to do this, I realized I had to retrain.

In June 2008, I applied for retraining through the Second Career program. I had to complete some labour market research to ensure that the business career I wanted to pursue would result in employment in the North Bay area. I was approved through Second Career to complete academic upgrading and then the business accounting program. In September 2009, I started my journey by entering the upgrading program. In August 2010, my upgrade will be completed, so I have applied to Canadore College to enter the business accounting program in September 2010.

In the upgrading program, I have been studying mathematics, English and computer applications. In addition to learning many skills, I have been able to gain my confidence back. When I first started the upgrading program, I was very nervous and unsure of myself because I had been out of school for 30 years. But very soon after I began my upgrading, I felt at ease. I was experiencing a great deal of success and getting some excellent grades.

I've also seen some of my fellow classmates complete their upgrading and move on to their college program. The instructors at the college have been a major factor in my achievements and those of my classmates due to their support, expertise and guidance.

In closing, I strongly believe that literacy and basic skills academic upgrading programs are essential to help adults in Ontario to upgrade their skills and confidence in order to prepare for employment. These programs are of great benefit and should continue to be funded in order to provide and strengthen Ontario's workforce for the future. I'll be ready to be the new finance minister as of April 2012. Thank you.

1050

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation, and I will turn to the official opposition for questions.

Mr. Norm Miller: Thank you for your presentation. I'm interested in how much need there is out there. You made a very good presentation in terms of the benefit, and I don't think anybody here would argue that with someone who is looking to improve their literacy skills, it's going to benefit them, but also all of society.

You talked about the fact that you have waiting lists. How big are the waiting lists? Also, where are these waiting lists?

I gather that Maurice is involved with Canadore College to receive his upgrading, but where else would a person receive this literacy training?

Ms. Lesley Brown: There's literacy program training all over Ontario. It happens in colleges, in school boards and in community-based programs. We have 16 regional networks in the province where people can go to the network in their particular region, get an assessment, find out what class is appropriate for them and go to classes.

There's been more of an influx now because of the economy, with a lot of people who would never have considered going back to school, who have lost their jobs and all of a sudden find out that they don't have the skills to compete in today's market, and in speaking to Maurice, that was also his experience. For three years he applied for jobs, and he didn't realize—he had a specialized skill, so why wasn't he getting jobs in the

industry he's worked in for the last 30 years? Then he came to the realization that it's because the skills have changed dramatically from 30 years ago to the kind of skills you need now. So we're seeing much more of an influx. We've never seen numbers like this before.

I would say that most of our programs in most areas—there are some areas, the areas harder hit by the economy, where there's closing down of the manufacturing and they have higher numbers, but across the board our programs are really seeing an influx of people coming in.

Mr. Norm Miller: So, some idea of how big the waiting lists are?

Ms. Lesley Brown: Some of them have been up to six months. They were a lot longer before there was the stimulus funding where they were able to open more classes and take some of those people in, but six months or more. And if the funding doesn't continue, the waiting lists will just expand.

Mr. Norm Miller: And is there some dollar value you have in terms of the ask in funding to try to shorten those lists and look after the people who are looking to upgrade their skills?

Ms. Lesley Brown: I'd say there are two major asks. One is that there's $45 million that is promised in this year, and it's the end of January and programs still don't have any indication of when that money is flowing or how that money is flowing.

Mr. Norm Miller: Is that the Second Career funding, or—

Ms. Lesley Brown: No, that's just the stimulus funding for the literacy programs. It's really important for programs to know ahead of time so that they can start to plan. You need about a month or two to start to open a class, to hire, to market the program. So it's important this year, first of all, to find out when that $45 million is going to come into the programs. And as I said earlier, really, we need to continue this type of funding. Our concern is that at the end of two years, when we don't have stimulus funding anymore, there's no way that we can go back to the level of funding we had before.

Mr. Norm Miller: Thank you. I think my colleagues have questions as well.

Mr. Toby Barrett: Just briefly, the statistic here is that 40% of the people in Canada aged 36 to 45 have low literacy skills—a very large number of people in this country.

Ms. Lesley Brown: Exactly.

Mr. Toby Barrett: Those people, by and large, would have their grade 8? They would have attended elementary school?

Ms. Lesley Brown: I think there's a variety of different situations that may happen. Some people have graduated grade 12, and just the discrepancy between when you leave school and the skills that you need in today's economy—it's very different, so the skill level has shifted. The requirement of the type of skills you need has shifted from what you may have learned in school 30 years ago.

Mr. Toby Barrett: So that 40% of Canadians, I assume, in this age group can probably read and write, but they are still classified as having low literacy skills?

Ms. Lesley Brown: According to the IALS statistics, what they've done is they have broken it down into five different categories of learning, from level one to level five. For most people to be able to be competitive in the workforce, you need about a level three. There is a percentage that's at level one and level two that will really be challenged. Then those at level three and four will be more challenged in terms of the new technology, the new requirements. I don't know about you, but sometimes I look at my daughter's school work and think, "My goodness, I don't know if I could do what they're doing now in high schools." There's such a change in terms of the skills and what the new economy needs. But if you want more information, I can send you more detailed information.

Mr. Toby Barrett: That would be interesting. It looks like we're at the bottom of the pack, as a nation, certainly in the industrialized—

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation to the committee this morning.

Mr. Toby Barrett: Chair, just a point of order: Some more statistics and information would be valuable, perhaps, for the committee.

The Vice-Chair (Mrs. Laura Albanese): Absolutely. If those could be forwarded to the clerk of the committee, they will be distributed to all the members who are part of the committee.

Ms. Lesley Brown: Thank you so much.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

ONTARIO COMMUNITY SUPPORT ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): Now we call on the Ontario Community Support Association to come forward. Good morning. You will have 10 minutes for your presentation, and that can be followed by five minutes of questioning. If you could please state your name before you begin for the purposes of our recording Hansard. Thank you.

Ms. Brenda Loubert: My name is Brenda Loubert. I'm the administrator of East Nipissing District Home for the Aged, otherwise known as Cassellholme municipal home for the aged, as well as the administrator for Castle Arms non-profit apartments for seniors.

Thank you for the opportunity to appear before this committee and provide the perspective from Cassellholme and Castle Arms; from the association, OCSA; and from the non-profit home and community health sector of the North East LHIN, LHIN number 13.

For those of you not as familiar with our organization, allow me to tell you a little bit about us. We have three major mandates. As indicated, we do housing on the Castle Arms side. We have just done a 40% growth in our housing industry; we went from 174 units to now 241 units. Our second mandate is long-term care, with a 240-

bed long-term-care municipal home for the aged. As well, in the community support sector we are the largest provider in this district, with seven various services being offered.

Our organization is part of the Ontario Community Support Association as well as the Ontario Association of Non-profit Homes and Services for Seniors. OCSA, of course, is a network of agencies providing home and community care for over 750,000 Ontarians per year.

We employ over 300 staff at this time and upwards of 200 volunteers, who service, in the community sector, upwards of 300 members of the community.

I want to begin by recognizing the challenging fiscal situation the province and our government are in. It is a situation we are very aware of. But this reality is inseparable from the demographic changes occurring in our community and province. The population is aging while, at the same time, we are living longer, chronic diseases are becoming more prevalent, and smaller families are often scattered across countries, which makes caregiving more challenging.

People need care. They want to be in their homes, not hospitals or institutions, and health outcomes and overall quality of life improve when comprehensive home and community support services are available to them.

We certainly want to thank and acknowledge the government's affordability programs that have been offered, in particular for housing. I guess our issue is, we need more of it.

As small organizations and non-profit organizations, it's very difficult for us to continue to build. We have the capacity to do so. We have the willingness to do so. We unfortunately don't have enough dollars to do so.

In the last round of housing, for instance, we wanted to apply for more. We had a plan to do 158 more units in this district. We have demographics. We have reports that have been done in the North East LHIN that substantiate the need for it. We have a difficult time providing the proponent contribution for such projects, and it makes it difficult when, oftentimes, these projects have gone to private vendors versus non-profit corporations.

If we look to change the trajectory of people going into long-term care, we also need to ensure that our finances go to sustain the systems that allow that to occur in the community. One of those big things, like I said, is the match between housing and the Ministry of Municipal Affairs and Housing, to match the supportive health dollars with the affordable housing, and allow providers such as ourselves and non-profit organizations that do that continuum of care to better serve the population that we need to serve.

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This local community also has one of the highest ALC issues in the entire province. Again, for us to alter that, we need to put additional dollars in the community support sector, to allow us to do what we need to do and, in essence, to alter and not have people go into institutions and/or ERs and/or become ALC clients. We need to sustain them in the community.

One of the big issues is allowing community support also to begin to look at a standardized assessment across the board. We have looked at an implementation of an interRAI assessment tool called the CHA. Along the continuum of care, if we want to begin changing that trajectory, we also need to have substantial data at the community sector to be able to, without doubt, identify the population that needs to go there.

I'll be a little bit more specific. We have a standardized assessment to go into long-term care. We have a standardized assessment in mental health institutions. We have a standardized assessment in complex continuing care. The unfortunate part of this is that that continuum of care is too far along the compendium. We do not have standardized assessment prior to that, so if we are to change the way we implement our services or change and alter institutionalization, we also need to have that data bank at the onset and at the community level for us to begin to alter and look at utilization patterns and the data, to then support us changing that route of care.

So from long-term care or pre-admission to long-term care, and long-term care and complex continuing care, we have the data. We don't have the data on the early part of the continuum for us to be able to alter the mapping of care plans for those clients.

I've completely gone off my notes here.

On such strategy investment, to support implementation of common assessment as indicated, instruments in the community—the selection process of the tool will be completed by March 31, 2010. In last year's pre-budget submission, OCSA requested this, and we thank you for following through. A speedy implementation will do much to ensure that services are targeted at those who will benefit most. The data the tool generates will be extremely valuable for decision-making and the service-delivery funding and policy levels. We encourage you to invest sufficient resources so that the community support providers can implement the common assessment instrument without negatively impacting their ability to provide services or continue the work they do with the LHINs to improve health care systems.

Maintaining and enhancing funding levels for home and community support services is consistent with consensus opinion that these services are an effective and affordable means of delivering health care. We urge you to maintain funding to the LHINs and support new funding initiatives to help people continue to live at home.

Another concern is the serious shortage of home and community health workers in all areas of the province, especially here in our community. One of the reasons for the difficulty is in recruiting and retention of such workers and the disparity in compensation and working conditions between community health sectors and institutional health care. We urge the government to look at this disparity, including the absence of pension plans for workers in the community health sector, which is a

barrier to the mobility of workers across the health sector.

We now are seeing, for instance, personal support workers. We have no ability in a non-profit organization to have the same wage parity as those that we are competing with in other types of settings or in institutions or hospitals. Personal support workers are extremely important to our sector. These workers provide 70% to 80% of the care in our communities. There has been concern recently for the quality of the training provided to these important workers. Public confidence and the confidence of employers have been undermined by media reports of abuse situations and inadequate training. We urge you to provide resources for the monitoring of the training organizations to ensure the quality of the training, and we ask that you resource the development of a worker registry to track training and employment of personal support workers across our sector. This would assist employers and restore public confidence in this sector.

Finally, I would like to tell you a little bit more about the challenges we face locally. I, for the most part, have done a lot of that, if I can just give you a little bit of our demographics. We had a study done in 2008 by SHS, Ed Starr, and in that study—I can certainly leave this with you—we even looked at a low, a medium and a high diversion rate for those otherwise going into long-term care, and if we want to displace those individuals and keep them in supportive housing now or keep them in their homes now. The study suggested, even at the low end, that by 2016, to divert those individuals to housing, we are looking at 566 people who need to be diverted. That's on the low end. On the high end, it's 1,154. That's solely for the district of North Bay or the district of Nipissing. By 2026, at the high end it's 1,480, and there are similar results for long-term-care diversion in the district of Nipissing but also for the needs of the city of North Bay itself.

The Vice-Chair (Mrs. Laura Albanese): You have 15 seconds left.

Ms. Brenda Loubert: I'll end with that.

The Vice-Chair (Mrs. Laura Albanese): Okay. Thank you for your presentation. It was very interesting. We will pass it now to Mr. Prue for questioning.

Mr. Michael Prue: Yes, just in terms of the long-term care diversion and where you were going, I have to assume part of the boomer generation, and leading up to this—that there are going to be a lot of people who are going to require long-term care, and that the recommendation is to find some other alternative: have them stay at home or use whatever service. Has there been sufficient planning? We've known for 50 years that is going to happen. There are books: Boom, Bust & Echo, and all those things that have been written. Everybody knows it's going to happen. Are we prepared?

Ms. Brenda Loubert: I would indicate by saying that we absolutely know. Do we have all the knowledge that we could have? Hence my opinion about the implementation of an RAI-CHA tool or some kind of standardized assessment so that we have a better knowledge of what is in the community right now, and at this point, that is just those contacting or having contact with the health care system. We know absolutely nothing about those who are not in the system right now. Along that continuum, I guess what I was trying to say is that from the point of placement on, we have that data. Prior to that, and those are, in essence, the people who are coming in, we have very little data on that. Without data, we have very little ability to even sustain where we are right now, let alone having the influx of population coming, given the senior population.

Mr. Michael Prue: I didn't hear a direct ask in terms of money. We are the finance committee. I always want to know, and everybody around this table wants to know: What in terms of money for this budget cycle are you looking for in order to prepare your organization and the North Bay community for a potential, sudden influx of new people?

Ms. Brenda Loubert: I guess province-wide—and I'll speak perhaps at that level first—province-wide we need to be able to implement the standardized tool and mechanisms by which we can track the data. In terms of an overall number of cost of that, I don't have that before me to tell you. In absence of that, I can certainly tell you that we will get more of what we have seen, and we will not be prepared to sustain them. We can barely sustain what we have at the moment.

Mr. Michael Prue: How fast is the number of clients you're having to service growing, in terms of percentage year after year?

Ms. Brenda Loubert: Like I said, I can leave the graph that I brought. By 2031, we will be looking, in this district alone, at about 30% of our population being seniors. The study and the work that we're doing—we have a descriptive study that's just coming out through the University of Waterloo, actually; it's in draft form right now—that information is informing us that we need two things: one, the standardized assessment to be able to run the data, but we also need the equivalency on what the utilization of those services will be so that we can then project outwardly what the requirements of this population will be. I guess what I'm indicating is that we're in the infancy stages.

Mr. Michael Prue: You talked as well about people who are working in the industry, the training and the needs for resources and courses, and some of the backlash when people are not doing the job they're supposed to do. What kind of problem is that? I don't hear too much about the backlash. I do, once in a while, hear horrible cases of elder abuse or of taking jewellery and things. You read about that in the paper. Is it widespread?

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Ms. Brenda Loubert: I would say it is widespread. The issue with personal support workers at this stage is that they are not within the regulated health disciplines act and therefore are susceptible to professionals within those then not perhaps—the difficulty of not being able to substantiate the work you do. The standardized assess-

ment then brings that level of the sector or that community sector up to the same level as, for instance, a community care access centre, so we will then have the same ability to substantiate the work that we do.

As a non-regulated health discipline, as the words say, they don't have a college that they all report to. It leaves them vulnerable in some states, I guess—and to somehow do a little bit more regulation of this body so we can do the work. In essence, this is the lowest-cost setting. If we are looking to go from hospital perhaps back from long-term care, this is the lowest-cost setting.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that.

WORKING FOREST NEWSPAPER

The Vice-Chair (Mrs. Laura Albanese): I would now call upon the Working Forest Newspaper to please come forward. We would advise you that the presentation will be up to 10 minutes. That could be followed by up to five minutes of questioning. Please state your name before you begin for the purposes of our recording Hansard. Thank you.

Ms. Judy Skidmore: Good to see you all here in North Bay. My name is Judy Skidmore. I'm publisher of the Working Forest Newspaper. I'd like to make two short presentations, one of them on the forest industry and, secondly, one on a recent study that we commissioned on the Trans-Canada Highway, "we" being the Working Forest Newspaper commission.

I'll start with the forest sector. The forest sector is Ontario's—you have a copy of this; I'm basically reading these points to make sure I get in my time. The forest sector is Ontario's homegrown industry, and it's traditionally the second-largest industry in Ontario after the auto industry, as determined by the Minister of Natural Resources for the present government.

The Ontario forest garden produces 6.7 billion cubic metres of wood in any given year. It doesn't produce that much per year—you cut it all down, and it grows again like carrots—but that is the amount of wood that we have available to us. Sometimes, with all the rain we've been getting, it's probably 10% more. That amount of wood does sustain our biodiversity across Ontario. This is one of Canada's largest forest gardens, according to the Canadian Forest Service report now on their website. These numbers are actually from the Canadian Forest Service.

The Minister of Forestry, Minister Gravelle, has stated that Ontario's crown forest can sustainably produce 26 million cubic metres of wood annually. I ask, is that tiny amount the limit of the minister's vision for the Ontario forest industry? That harvest would restrict us to one third of 1% of Ontario's forest garden per year—one third of 1% per year. That is what those 26 million cubic metres translate to from the garden of Ontario. That would be all that the forest industry would be allowed to harvest—one third of 1%. At the moment, Ontario is harvesting under one quarter of 1%; 0.22% is what we are harvesting of Ontario's garden. At its very highest level, which was about the year 2000, the Ontario forest industry harvested less than half a per cent—0.44% of 1% of our garden.

Ontario does not meet its own demand for wood products at the moment. There is a significant amount—about half of the wood products actually come into Ontario from somewhere else, so we're not even harvesting enough forest products in our own province right now to meet Ontario domestic demand. Ontario is not spending its own budget on prime site reforestation.

Do we need to spend more government money that closes this industry even further? We really need to harvest forest at twice the rate we're doing now—that's at the maximum level—without paranoia and government budgeting to close down the best industry in the world. So what I'm asking is: Please don't budget more money that's going to actually restrict this industry even more. What we do need is more money for prime site reforestation.

The Ontario forest industry presentation, which I think you'll hear later today, is much more eloquent than the one from this newspaper.

Canadians invented the most efficient business tool in the world: a sheet of paper. That is our invention as Canadians. And we produce the best lumber in the world. Canadian lumber is strong, lightweight and the easiest wood to nail—the best SPF, spruce-pine-fir, in the world. Please do not allow government budgeting to fund the destruction of those advantages.

The actual amount of money that we're asking for would be for additional silviculture, which would run to approximately $100 million a year. There is probably that much now in the trust, which isn't being spent, but Ontario is just not funding our industry and we are putting out budgets that are restricting the industry itself, shutting down our own industry.

The Working Forest Newspaper, secondly, has commissioned a study, because transportation is critical to the future of the forest industry and, really, to the future of Ontario and the future of Canada. There is only one way to put a TransCanada Highway through Canada and it is through northern Ontario. So many people think that you can somehow get from Winnipeg to Toronto a different way, but you can't; not through Canada. The Ontario TransCanada is the final—it's 25% from Ottawa all the way to Kenora; it's 25% from Vancouver to Newfoundland. That is really the poorest standard. It can't even be called a highway, really. It's just an unsafe trail through the bush. That represents our TransCanada Highway.

Our study showed that a 25-year project will completely upgrade the 20% of the—which is 1,650 kilometres of the TransCanada Highway from North Bay to the Manitoba border. It is really an appropriation of existing budgets because that amount, $600 million a year—the cost is only $600 million a year—is already in the budget of the provincial coffers. That is being spent now on four-laning to North Bay from Huntsville and Parry Sound to Sudbury, which is going to be completed

soon. So that amount extended on for the next 25 years will complete a transportation system in Canada. It's the only route possible for a Canadian national highway. The engineering has some challenges but no more than those presently being met in the Rockies and the Okanagan on a TransCanada Highway with equal status to the highway that we're talking about.

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The vision budget was estimated—and this is our vision—at $600 million a year for 25 years. This is a short time to accomplish what many people in communities along the route consider would cost too much and take too long. Priority must be given to those areas already established by the government, which are Nipigon to Thunder Bay, Highways 11 and 17 where they come together—a two-lane highway which is just terribly congested—and Kenora to the Manitoba border, which is particularly dangerous.

We propose that this construction, this $600 million per year for 25 years, be scheduled on the route in seven concurrent sections: North Bay north to New Liskeard, New Liskeard north to Cochrane, Cochrane to Hearst, Hearst to Nipigon, Nipigon to Thunder Bay, Thunder Bay to Dryden, and Dryden to the Manitoba border. Within the decade, all the communities on the route from North Bay to the Manitoba border should see the beginning of construction.

The main objective in this study is to maintain the integrity of the centre of communities and private property. The main study objective is to reduce the disruption of the community and increase safety, cost and speed for residents and for commerce. You can see the entire study, which looks like this one, on the Working Forest website, the home page. Click on it and the 40 pages come up.

I'll take any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. Questions will go to Mr. Ramsay.

Mr. David Ramsay: Welcome, Judy. It's good to see you again. Thank you for your strong advocacy for the forest sector in this province and in this country.

I'd like to talk about the forest part first. I agree with a lot of what you say. I look around this room and I see the wooden frames and doors, and I presume this table is wood. That's carbon in storage. These products do last a long time, and our forests could be a real answer to climate change, because we should be cutting more, harvesting more and planting more. I believe in afforestation, where we should be planting more trees and finding more uses for tree fibre. That, of course, will come naturally as we start to run out of crude oil under the ground. We're going to have to grow all our energy and materials, and Ontario will be very blessed because of two things: its great agricultural area and huge, vast forest tracts. So I think there's going to be a great future for forestry and that it will increase. That should be part of our climate change initiative too.

You may not agree with what we're trying to do on some of these things, but as you know, we've been looking at what we call tenure reform, because what we want to do is open forestry up to new entrants who want to produce new products. We need to adjust and diversify away from just our traditional products, which have basically been lumber and paper. We've had a few new products introduced over the years, like oriented strand board, of course, but we could do so much more. So I embrace your call for expanding forestry. I think it's right.

I was wondering if you had any other ideas on how we could do this, working with industries. It has been a pretty tough time with industry now in those two traditional areas: paper—newsprint, especially, a declining market—and of course lumber, because of the decline—

Ms. Judy Skidmore: Well, Mr. Ramsay, first of all, you have to dump your tenure ideas, because that is adding all kinds of insecurity to the industry. We can't even discuss the issue, because there's nothing to discuss; it's simply being thrown out there that the industry is going to change, the government is going to change the industry, without any direction, anything to bite on, and with no real concept of what is wrong with our tenure at the moment. That has not been identified. So that particular process is creating an exodus of capital, an exodus of new investment in the industry itself. I plead with you to just, at this point, go away from that. I haven't spoken with anyone who can understand really where it's going or what it's producing and sees it as a priority for the industry at this time.

Certainly we need to invite new investment. That has always been a problem in the forest industry, and it's an extremely complex issue. But what we have to have from the government is strong, secure access to this—at least 1% of Ontario's forests. We don't have that now. Just please, 1%—strong access, committed to long-term from the government. That's going to solve a lot of problems.

Mr. David Ramsay: We have strong tenure with the forest licences, but what the economy can't tolerate is unused. You've cited the figures. We have so much of our cut unused today. What we're doing, which I'm very strongly promoting, is clawing back the unused portions of the cutting licences so that we could start to invite new investment from new entrants to produce new products so that we can diversify our forest product line and range in this province, so that we are not just producing lumber and paper. We need that diversification. There are a lot of new products that we can develop out of wood fibre, and we need to diversify in that direction.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Ms. Judy Skidmore: If I might, to fight over this tiny portion that's there with the people who actually—and yes, the control over it is a big question. But for the government to fight with the people who have already invested in this tiny, tiny portion of the wood fibre in Ontario—there's so much more. Why can't we open more? Why can't we even open what we had access to 20 years ago instead of constricting and then fighting with

the people who actually are prepared to invest over that amount?

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that, but unfortunately, the time has expired.

NIPISSING-PARRY SOUND CATHOLIC DISTRICT SCHOOL BOARD

The Vice-Chair (Mrs. Laura Albanese): We'll now call on the Nipissing-Parry Sound Catholic District School Board to come forward. Good morning. Please come forward and have a seat. You will have up to 10 minutes for your presentation; that could be followed by up to five minutes of questioning. If you could please state your name before you begin for the purposes of our recording Hansard.

Mr. Shawn Fitzsimmons: Good morning, members of the committee. My name is Shawn Fitzsimmons. I'm the vice-chair of the Nipissing-Parry Sound Catholic District School Board. It's a pleasure to be here this morning, and I am very grateful for the opportunity.

The first budget presented by the government in 2004 and budgets thereafter have reflected the mood of the public to see a focused and long-term plan for education. Over this time, there have been some positive and significant changes to meet the needs of students.

The current economic situation has understandably caused the government to rethink its financial policies. We come here today understanding these pressures, but at the same time, we feel that there are some real issues that need to be addressed. While approaching the need for overall constraint in these serious economic times, we hope the government will do this in a balanced manner, holding the line on spending but not at the expense of education, which is clearly still a priority for most Ontarians.

A good deal of the increased funding for education over these years has been targeted on increases in programs and services mandated by provincial authorities. In some instances, the increased funding to provide for these programs and services didn't cover the actual costs required to provide them, increasing the financial pressure at the board level.

This is why boards continue to struggle with their financial situation, already experiencing challenges with inadequate funding, having to resort to unpalatable solutions to balance their budgets, drawing down dwindling reserves and implementing major spending cuts. Spending cannot be reduced any further without harming student outcomes, and there are some shortfalls in funding which are causing unease in school boards about their current operations as well as their future.

Over the last nine years, school boards have been given additional funding to hire more teachers and reduce class sizes. The provincial discussion table agreements have had, and we believe will continue to have, a beneficial impact on staff relations, both instructional and non-instructional. These impacts will contribute to the financial stability of boards by making salary costs and corresponding funding predictable throughout the term of the agreements.

Salaries represent approximately 80% of school board budgets in Ontario. It's the remaining 20% where we have some concerns and would like to talk to you about today.

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Boards are particularly concerned about the implementation of full-day learning for four- and five-year-olds. We realize that this will require substantial investment of resources. Some schools will even require significant upgrades and changes in order to provide space. It will be necessary that the ministry provide adequate and equitable funding, both operational and capital, to provide for the introduction of the early learning program.

Many school boards continue to express serious concerns about the ongoing gap between the cost of programs, services and specialized equipment for students with special needs and the current funding levels. It is necessary that grants for special education be reviewed and improved to recognize the changing incidence of students with special needs, to be fair and more responsive to their needs and to accurately recognize the real costs experienced by boards.

Funding for the maintenance, renovation and retrofit of existing schools and the construction of new schools remain on most boards' list of concerns. Whether projects are large, medium or small, school boards will always have their capital needs, and the costs have become quite burdensome. It is essential that the process of capital funding for school boards be reassessed to reimburse boards for their actual total costs. The benchmarks utilized in the calculation of capital funding programs need to be updated and adjusted to reflect actual costs of construction and to recognize variations in these costs across Ontario.

School boards speak of the inadequate funding for modern technology. This is relatively common to all boards across Ontario. This is critical in the classroom and necessary for our administration to be effective and efficient. Ongoing funding must be provided for new computer hardware, software, expanding network capabilities and videoconferencing, along with immediate one-time funding to upgrade our outdated infrastructures.

There has only been partial relief for declining enrolment through the declining enrolment adjustment grant. Because the grants are primarily driven by enrolment, even small declines in enrolment have a serious effect on our revenues. Unfortunately, our expenditures do not follow the same pattern as they tend to be fixed within certain ranges. Specifically, even though there may be enrolment declines, the declines at the school level do not allow us to reduce school expenditures to the same degree.

The assistance for declining enrolment is not enough and is too short-lived. We need more time than is now

allowed to align our costs to the funding that will be lost due to declining enrolment.

Over the last year, school boards have incurred additional costs as a result of H1N1. We've had staff who became ill and had to be replaced. We had to pay for materials, equipment and other expenditures for which we were provided minimal additional resources. A natural disaster or pandemic such as H1N1 or SARS can occur at any time. School boards will always have to comply with various measures mandated by government ministries and agencies. These costs are unforeseen and unknown, and school boards need one-time funding from the government to recover them.

Boards also have grave concerns about the reduction in grants that occurred in 2009-10 and the further proposed reductions for 2010-11, reductions for textbooks and learning materials, classroom computers and staff development, reductions to student transportation as well as the declining enrolment grant, which I've just discussed.

The projected reduction of $8.7 million in funding for board administration and governance will be particularly onerous for small to medium-sized boards who are already struggling with the burden of implementing and reporting on new and enhanced ministry-directed programs and policy changes.

I've restricted the content of this presentation to those matters which we feel are of the highest importance and are most problematic. However, there are other issues about which we have concerns and would like to bring forward. Some costs, including staff benefits, insurance, utilities, litigation and the harmonized sales tax, are highly volatile and unpredictable. They far exceed the funding provided by existing benchmarks.

One-time measures cannot be continued over the long run and eventually must be replaced by a funding model with appropriate benchmarks and necessary resources.

The Nipissing-Parry Sound Catholic District School Board is grateful to the committee for allowing me to make this presentation. We look forward to continuing opportunities for dialogue and are willing to assist the government and the Ministry of Education in any way we can to ensure the best possible education is given to our students. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission this morning. I will now turn it over to Mr. Shurman for questioning.

Mr. Peter Shurman: Good morning. Thank you for a good presentation. I'm interested in getting some detail here on the percentage increase that you're referring to for your board and how that translates into real dollars.

Mr. Shawn Fitzsimmons: The percentage increase—

Mr. Peter Shurman: For your board. You're asking for more funding because you need sustainable funding and new technology. You've elaborated on it but you haven't given us a percentage. You said that 80% was salaries, and 20% was the part that concerned you.

Mr. Shawn Fitzsimmons: Yes.

Mr. Peter Shurman: So that 20% represents some number and the percentage increase that you need going forward is some number. I'd like to know what those numbers are.

Mr. Shawn Fitzsimmons: Our budget is approximately $42 million a year. We are one of the smaller school boards in Ontario, with 3,200 students. Without an intense calculation, I would think that we would need approximately $1.5 million to $2 million to cover the shortfall in the expenditures, not including salaries.

Mr. Peter Shurman: Okay. And you mentioned 3,200. Do you know what the additional costs will be—you also kind of alluded to them—for the implementation of early kindergarten? You talked about there being some increases in facility costs.

Mr. Shawn Fitzsimmons: Yes.

Mr. Peter Shurman: Do you know what that real number is?

Mr. Shawn Fitzsimmons: At this stage, Mr. Shurman, two of our schools will be the ones to come on board this September. We estimate costs, I believe, in the area of $250,000 to $300,000 for the two schools.

Mr. Peter Shurman: And is it your understanding that you—and, from that, I would have to deduce, schools across the province—would be seeking those kinds of funds, funds that are similar for similar purposes, from the government, outside of the $1.5 billion that the government has earmarked for the program? Are these additional costs, in your understanding?

Mr. Shawn Fitzsimmons: To my understanding, these would be included in the $1.5 billion that's already earmarked.

Mr. Peter Shurman: Then we can assume that the figure that we've been given by the government—you are assuming that the figure that has been put out there by the government includes those things. Therefore, it's not the same level of priority that you've put on it.

Mr. Shawn Fitzsimmons: I would assume that, hopefully, the estimate provided by the government is accurate. At this stage, some of these costs are unknown. It's purely an estimate, yes.

Mr. Peter Shurman: Okay. We've now been through—this is the third city that we're in having conversations like this. Listening to what you have to say is not particularly surprising. The numbers change, the faces change, but the asks are similar. I don't know what the tally would be, but I suppose we've been asked by people to make sure that sustainable funding is available in the billions and billions of dollars at this point.

You know and we know that the government is up against a $25-billion deficit, by their own estimate, and some significant number of billions in the next year or two going forward, at least.

What would you tell the government in terms of how they're going to address your needs—we've asked this question to a number of presenters—and prioritize them versus someone else's?

Mr. Shawn Fitzsimmons: It's an interesting question, Mr. Shurman. Thank you very much. I really can't pro-

vide a perfect answer to it. I suppose that it's a matter of prioritizing expenditures within the province. Hopefully, at some point in time, we can get out of the recession and revenues to the entire province will increase.

I don't have the exact answer as to how you can prioritize among other needs—the needs of other agencies, boards etc. My comment regarding that is, with an intricate knowledge of school board funding, school board operations, I'm prepared to say that it's very imperative that some of the matters be addressed, because I do sincerely believe that some school boards are not going to be able to file balanced budgets.

1140

Mr. Peter Shurman: I agree with you, and I think many members of the committee would agree with you, that prioritization is probably the keyword, and we'll only know when the budget comes out how well the government has done at that. But you know and I know that something's got to give. I wish you well.

Mr. Shawn Fitzsimmons: Thank you very much, Mr. Shurman.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation this morning.

MR. GILBERT GAGNON

The Vice-Chair (Mrs. Laura Albanese): Now I would call on Gilbert Gagnon, mental health defence/volunteer protection, to come forward. You will have 10 minutes for your presentation, and that could be followed by up to five minutes of questioning. The next rotation will go to the NDP. Please state your name on the record for our recording Hansard, and after that you may begin.

Mr. Gilbert Gagnon: Thank you. My name is Gilbert Gagnon. I'm here on behalf of volunteers across Ontario. Just for my own record, I'm going to record my voice so I can hear what I'm doing. I don't know if you're going to be on television or not, but is there someone who could pass out my—

Interruption.

Mr. Gilbert Gagnon: It's a pleasure to have you all in North Bay. Sorry about the storm. It's pretty nasty out there.

Interjection.

Mr. Gilbert Gagnon: Tell me about it. I live on the lake. You all probably say, "I wish I lived on the lake."

Mr. David Zimmer: Not in the winter.

The Vice-Chair (Mrs. Laura Albanese): Sir, you are aware that the time is going—

Mr. Gilbert Gagnon: Yes. Sorry. Time is ticking.

The Vice-Chair (Mrs. Laura Albanese): I'm just letting you know, because it's your time.

Mr. Gilbert Gagnon: It's my time.

I just wanted to say that when I leave, I'll leave a couple of copies. You all have a copy of what I'm talking about, so I'll be very brief here.

Here's my opening statement.

I have 20 to—what time do you have? Am I wrong?

The Vice-Chair (Mrs. Laura Albanese): I have you one minute and 20 seconds already into your presentation.

Mr. Gilbert Gagnon: Okay.

I have studied all your committee members' portfolios, and I have some confidence that your prudence and fair judgment will prove that all my efforts have not been in vain. I'm here out of moral obligation. I'm a Catholic. The catechism of the church says that, "Authority should always be exercised as a service, respecting fundamental human rights, a just hierarchy of laws, distributive justice, and the principle of subsiduarity. All those who exercise authority should seek the interests of the community before their own interests and allow their decisions to be inspired by the truth. The collaboration of service of one's homeland is the right to vote and the right to exercise constructive criticism."

My friend is Mark Steyn, and in his book America Alone he says, "The state has gradually annexed all the responsibilities of adulthood—health care, child care, care of the elderly—to the point where it's effectively severed its citizens from humanity's primal instincts, not least the survival instinct. In the American context, the federal 'deficit' isn't the problem; it's the government programs that cause the deficit."

The government has a fiduciary responsibility that I seem to have a problem with—because in the year 2005, I received this letter that is on the front, and to me, that was quite offensive, and it started a lawsuit that's now dismissed. It's gone, it's over, so I can talk about it. If we were to read just the first line, it says, "The board of directors has met for a special meeting to discuss your mental health. You're no longer a member." Since then, I have had extensive work with the Ontario Human Rights Commission, which will be one of my recommendations that I will quickly go through now.

I'm here to help fellow consumer-survivors, and I'm also here to help the government figure out where to pre-budget their next money.

Some of what has happened to me, of course, has been a little bit offensive. Let me go through it very briefly, because I've got five minutes.

Most people are unaware that the Ontario Human Rights Commission, in its code, does not say that it's illegal to segregate or limit someone in an organization. That should be addressed first with the Ontario Human Rights Commission, which is publicly funded. That takes care of my number one, that we have sweeping new laws for non-profit from being unmonitored to being accountable, more so when being publicly funded, meaning that whenever a publicly funded corporation is caught breaching their bylaws or any other lawful act, the proper authorities work together. At this time the authorities do not work together, as you will see in this case, and it's a problem.

Two is, while being funded by the public purse, governments' issues should be scrutinized as an external matter when there's proof of non-compliance with government regulation. For example, Parliament and human

rights: The complainant should be given support from the government. As it stands now, every level of government states that it's an internal government's issue.

Corporations Canada used to state that any accusation of corporate non-compliance is a serious matter and will be investigated. That wasn't true, because they have no investigators or compliance officers. You could look into the corporations being complained about. I am ex officio now. They have a bylaw now that states that members in good standing are allowed to attend all meetings and are allowed to have notice of meetings. That's not in my package. They are not forced to put their bylaws on the Internet. They're highly funded.

My recommendation is, of course, with the Ontario human rights.

I also recommend that the Legislative Assembly should implement a volunteer protection act. There are no laws to protect volunteers at this present time. I would volunteer to sit on such a steering committee.

I also recommend that senior politicians, like the ones in my package, when they get a complaint, that they be supportive. This is a moral obligation of anyone in public trust.

My recommendation is also that the government is welcome to invite me into a presentation at a Senate level.

I also recommend that the committee or its members help me financially out of the mess that I went through. I have an appointment at Osgoode Hall on Tuesday with the law society commission, because I don't feel that their behaviour is acceptable when they state that they do not deal with negligence issues. The law society does not deal with lawyer negligence issues. If we have an issue, we have to take the lawyer to court. I don't know if there are any lawyers in the room, but that's not too good.

So anyway, the CMHA, when I was in this court diversion program—and I was innocent—asked me to sign a piece of paper for my medical information. I told them no. I was the first. I think that that should be readjusted. When people have a learning disability, they're not helped by any government source.

Our correspondence—it would be nice to see something come through so that people who are smart—I'd like to be a paralegal but I can't get past that academically in college. It would be nice to see a program like that come through.

Also, the CMHA, with their little court diversion program, should help people get pardoned and help them get back to work. But they don't have that on their agenda. That's nowhere to be found. One with those kinds of problems would be lost.

The corporation I'm talking of went on to have three of its newest members, with Mr. Kirby there, with the Canadian Mental Health Commission funded for $110 million over four years—I think that's wrong. I've endlessly sent letters and e-mails to Mr. Kirby and sent 10 packages this thick. I'd like Mr. Kirby to give me a shout sometime, when he has a chance. He has my number.

The Attorney General didn't help, by telling me they don't have investigators.

So here's the whole package. When you read it on your lunch break, if you have any questions, you can give me a shout at home. I'm not too good at public speaking, but I'm very happy to be here. Any questions?

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that presentation.

Mr. Gilbert Gagnon: I probably missed a few things, but—

The Vice-Chair (Mrs. Laura Albanese): No, you're on time. You're at eight minutes and 30 seconds.

Mr. Gilbert Gagnon: Well, I hope you all had a chance to read Mark's book, there, America Alone. He's got some interesting points.

The Vice-Chair (Mrs. Laura Albanese): Okay, thank you. I would now ask Mr. Prue: Do you have any questions?

Mr. Michael Prue: Just a couple of very brief ones. I mean, I haven't had a chance to read this whole package—it's rather long—but just towards the end of the package, the second-last page, I see that you have a complaints review meeting next week in Toronto.

1150

Mr. Gilbert Gagnon: Yes, that's right.

Mr. Michael Prue: It's your intention to proceed to that complaints review?

Mr. Gilbert Gagnon: Yes.

Mr. Michael Prue: You will be attending at Osgoode Hall. Now, I take it that this is a complaint against the lawyer who you once employed?

Mr. Gilbert Gagnon: Yes, I once employed him, with no help of the government or any senior official, and they're all in here.

Mr. Michael Prue: Yes, and I've looked briefly through. There are a number of letters and complaints of various government ministries, organizations, the law society—this is an ongoing difficulty.

Mr. Gilbert Gagnon: It's an ongoing difficulty because I'm ongoingly in debt. So if the opportunities fund wants to help people on disability, they can at least mail me a cheque for what was offered for a settlement that I thought wasn't fair: They offered me $2,500—I paid a lawyer $5,000. They're still getting funded for millions of dollars a year, but no one's watching.

Mr. Michael Prue: Okay. This is the finance committee of the Ontario government. We are here to make recommendations to the Minister of Finance on where money should be spent. Is that your recommendation, that the opportunities fund should be more available to people like you who find themselves in legal and other difficulties?

Mr. Gilbert Gagnon: Exactly. That would help big time.

Mr. Michael Prue: Okay. Then I understand now exactly what you're trying to say, and I thank you.

Mr. Gilbert Gagnon: I thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. We are recessed until 1 p.m.

The committee recessed from 1156 to 1300.

ABITIBIBOWATER

The Vice-Chair (Mrs. Laura Albanese): Good afternoon. The Standing Committee on Finance and Economic Affairs will come to order for our afternoon session. Our first submission will come from AbitibiBowater via teleconference.

Hello?

Mr. Rick Groves: Hello.

The Vice-Chair (Mrs. Laura Albanese): Good afternoon. You have 10 minutes for your presentation, and that will be followed by up to five minutes of questioning that, on this rotation, will go to the government side. If you could please identify yourself before you begin for the purposes of our recording Hansard, that would be appreciated. You may begin.

Mr. Rick Groves: Okay. My name is Rick Groves. I'm with AbitibiBowater.

Members of the standing committee, good afternoon. I'm the forestry manager for AbitibiBowater's Ontario operations. I would like to thank you for the opportunity to address you.

AbitibiBowater has operations throughout the province of Ontario. The company directly employs over 1,650 employees and indirectly creates another 4,950 jobs. AbitibiBowater has invested more than $700 million in Ontario facilities since 2000, with approximately $108 million of that spent in the last two years alone.

I would like to discuss with you today some of the initiatives we feel are paramount in importance, as AbitibiBowater and the forest industry make their way through economic downturn and move towards recovery. There have been a number of key issues that were identified and implemented to help restore the competitiveness of Ontario's forest sector.

The northern pulp and paper electricity transition program is one of those programs. The transition program was put in place to reduce the cost of electricity to pulp and paper mills while they implemented a transition plan to a more sustainable energy supply. The continuation of the program is more important than ever, as the recession has destabilized the pulp and paper industry.

The global adjustment that the independent electricity system operator, IESO, and the Ontario Power Authority, OPA, used to adjust the Ontario power price went up by a factor of four in 2009. Without the transition program, our northern pulp and paper industry would be in complete collapse. We are therefore requesting an extension to this program while our industry continues to invest in energy conservation and new green technology.

Another important message to assist the industry through this downturn is the reduction of crown charges associated with white birch and poplar. These reductions have provided significant benefit for the hardwood sector, as well as to integrated companies like ours.

The present stumpage rates are also much more reflective of the actual value of the timber. Hardwood stumpage was previously much higher in Ontario than in any other jurisdiction, so these reductions were not only justifiable; they were absolutely necessary. In our case, the release supported our continued use of hardwood both at our Thunder Bay and Fort Frances facilities. We believe the continuance of this program is essential.

The prosperity fund and loan guarantee program have also been of significant importance to the industry and have been effective in encouraging investment in mills in Ontario over the last several years. For example, our Fort Frances biomass boiler received prosperity funding for a portion of the capital required to do this project. The end result was an $85-million investment in green energy that may otherwise not have made. This investment will also help to secure the long-term future at the Fort Frances operation. There are many companies, including AbitibiBowater, that would appreciate an extension to the program time frame in order to allow capital dollars to be spent. The economic downturn has delayed many potential projects, so some additional time would allow companies the opportunity to raise their portion of the capital dollars and use more of the initial allocation.

Another key program that was implemented to help restore the competitiveness of Ontario's forest sector is the road maintenance and construction program. This program has been very effective in reducing wood costs, which is one of the critical input costs for mills, along with the energy. It is important to note that this road program has been beneficial to more than just the industry. In fact, those who use the forest access roads for recreation, for instance, have experienced more roads that have continued to be maintained. During these difficult economic times, companies cannot afford to maintain the entire infrastructure without some level of support. Still, this funding does not cover the entire cost of road construction and maintenance, and companies continue to make up the difference. The road program is now a permanent program, announced by Premier McGuinty in 2006. They say it's essential in supporting a strong and healthy resource sector.

Again, in times that are financially challenging, we are not asking for new programs to be created. However, we encourage you to maintain the course, to continue to support these programs and continue to maintain an ongoing dialogue with our company and others in the progress and process to recovery.

Finally, I would be remiss as a forestry manager if I did not reference the need to maintain a sound and stable fibre basket from which to draw and develop. Access to a predictable, continuous supply of fibre is a fundamental component of a healthy forest industry and is necessary for a company like ours to leverage future investment and to grow new products from existing infrastructure. Today's forest products industry is more than wood, pulp and paper. It's the platform for the development of new products in industries like biofuels and bioenergy. However, we need a healthy primary forest industry with a sustainable, predictable supply of fibre to anchor the

other value-added opportunities that may develop in the future.

The overall message is simple: The programs put in place are valuable and have supported our company and our industry in the most challenging of times. They have been utilized and they've worked. We need to continue to maintain these programs in order to facilitate the recovery and transformation of an industry that is so vital to this province. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Mr. Groves.

Mr. Rick Groves: Questions?

The Vice-Chair (Mrs. Laura Albanese): Questions? Mr. Arthurs.

Mr. Wayne Arthurs: Mr. Groves—Rick—thank you for taking the time today to join us on a conference call. First, let me say that we have members from all the parties here, and we extend our apologies. We were unable to meet you face-to-face in Dryden yesterday as the weather the day before kept us from attending. We appreciate you taking the time this afternoon.

Just a couple of quick things, if I can, more just to recap the specifics that you put before us. One, there was no real request for anything new; primarily a request that we continue the course that we're on, specifically, in three or four areas, the principal one of which was the continuation of the NPPETP program—the electricity transition program—without which, in your words, could result in the industry's collapse. Is that a fair assessment of your words as well?

Mr. Rick Groves: That's a fair assessment, yes. The energy one is very critical to the pulp and paper sector. That is a huge component of our costs and they are not going in the right direction, so the transition program helps keep them going in the right direction until we get investments in Thunder Bay. That's one of the locations we have a program on the books to convert to more green energy, and we'll attract probably another $80 million worth of capital investment, which the company is seriously considering as we speak, but that project takes time, from construction to when it's actually implemented, and we need those credits to get us over that hurdle.

Mr. Wayne Arthurs: Okay. And looking as well at the prosperity fund and loan guarantee program, which allowed the investment of some $85 million in green technology as a result of that program as well by Abitibi?

Mr. Rick Groves: Yes, it has. Again, some of our other energy programs or projects have already been submitted to the prosperity fund, have been approved, but we still have to generate 60% to 80% additional capital dollars to make the project live. In these times, generating capital dollars is tough and we would appreciate an extension of that program just to allow us to spend the money that's already been committed to us.

Mr. Wayne Arthurs: Okay. And the road program is one of the more obvious ones to us.

Finally, the comments on the fibre basket, which we've heard annually from the industry, either corporately or more broadly through the association—there's obviously the need to retain, as you've referred to it, a sound and stable fibre basket for the industry to remain not only viable but healthy here in Ontario.

Mr. Rick Groves: Correct.

Mr. Wayne Arthurs: Okay. Those would be all my questions, Chair. Thank you again, Rick. Thank you for taking the time today. Again, we apologize for our inability to be with you yesterday.

Mr. Rick Groves: Understandable.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. We now move to our next presenter, the Ontario Forest Industries Association, home of CLA Grading and Inspection, via teleconference. Hello?

Mr. Dylan Rakowsky: They have to call in.

The Vice-Chair (Mrs. Laura Albanese): Oh, they have to call in? Okay. So we're recessed for a few minutes.

The committee recessed from 1310 to 1311.

ONTARIO FOREST INDUSTRIES ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We're back in session. We welcome the Ontario Forest Industries Association, home of CLA Grading and Inspection, via teleconference. Good afternoon. Mr. Jackson?

The Clerk of the Committee (Mr. William Short): No, it's Ms. Lim.

The Vice-Chair (Mrs. Laura Albanese): Ms. Lim?

Ms. Jamie Lim: Hi. Good afternoon.

The Vice-Chair (Mrs. Laura Albanese): Hello. Good afternoon. You will have 10 minutes for your presentation, and that could be followed by five minutes of questioning. This rotation will go to the official opposition. Please identify yourself on the record for the purposes of our recording Hansard, and you may begin.

Ms. Jamie Lim: Thank you. Members of the standing committee, for years OFIA and our members have been told by government leaders that the forest sector needs to explain, needs to educate, needs to get the word out there, like Governor Schwarzenegger and Premier Campbell are doing right now. They're using products derived from sustainably managed forests. It's one of the best things each of us can do to reduce our carbon footprint.

So last year we outlined the pivotal role for Ontario's forest sector in the transition to the province's new local green economy. By utilizing our sector's expertise and existing infrastructure, by promoting our world-class forest management standards and strong environmental record, it was recognized that Ontario's forest sector was well poised not only to take advantage of emerging markets such as bio-energy, but was very well positioned to capitalize on expanding and recovering markets for primary and secondary forest products, many of these right in our own backyard.

We explained that with the right public policy in Ontario and continued government support in key areas, Ontario would attract new investment, create employ-

ment and generate prosperity for all Ontarians, a sentiment that holds equally true today.

We met with numerous key ministers and ministries and explained the made-in-Ontario challenges and opportunities, and shared what FPAC's 2009 report, Future Bio-Pathways project, recently confirmed: that the most promising future involves sawmills and engineered wood product plants, mixed with bio-refineries which produce a range of bioproducts. It also highlights the benefits of an integrated approach that builds on a strong primary sector, pointing out that the traditional forest products tend to generate a far higher employment multiplier.

We left these meetings feeling like there was a greater understanding of how, with the right provincial policy, we could continue contributing to Ontario's prosperity. But a year later we feel confused, due to mixed signals.

On one hand, 2010 saw 2009 opportunities realized. Ontario's citizens, architects, engineers and builders went local. As evidenced by their actions, they recognize that by using local Ontario forest products, they're not only making an environmentally responsible choice; they are supporting local jobs and local communities.

In August, Craig Marshall, of Toronto's Marshall Homes, unveiled an Oshawa subdivision home built using only Ontario wood, stating: "I think it's time builders and consumers in Ontario take a conscious effort to support this industry by building homes using most if not all of their wood from Ontario suppliers.... It not only makes good economic sense; it makes great ecological sense as well."

GTA home builders purchase about $800 million of lumber annually, and it's estimated that 70% comes from outside of Ontario. This represents an annual opportunity of over $500 million for Ontario's lumber sector.

Attending the event, Minister Gravelle commented: "Housing and forestry are two key economic drivers in Ontario.... We recognize there are real opportunities and we're going to move on them."

This initiative received further support in the Legislature from GTA MPP Wayne Arthurs when he called upon government to "aggressively promote the use of Ontario wood products in residential and commercial construction throughout Ontario."

This is where it gets confusing, because while we have all this good local stuff happening, while we have some in government making supportive statements, government action, on the other hand, is reducing Ontario's industrial wood supply and threatening our economic recovery. In order to sustainably maximize this sector's potential and navigate through this recovery, we're asking government to act quickly on the following six recommendations.

First, permanently protect Ontario's industrial wood supply. We were pleased when Minister Gravelle stated that Ontario's crown forests can sustainably produce about 26 million cubic metres of wood annually, yet we continue to see an erosion of Ontario's land base due to government action. For example, MNR recently announced its intent to reduce the area available to forestry in Algonquin park. To date, the MNR has not been able to provide one credible social or ecological rationale for this initiative, despite the undeniable fact that this initiative will have negative repercussions on the forest sector and local economies.

As a sidebar, most of our companies that have been harvesting out of Algonquin park are into their sixth generation: over 162 years of harvesting in that park, and most people never even know it. In fact, the Algonquin Forest Authority, in a report to government, expressed reservations about the proposal, as they were unable to say with certainty that this proposal will not negatively impact the forest industry and local communities.

Also, Ontario's Endangered Species Act continues to threaten our wood supply. To put this in perspective, this past fall, after only one public workshop in Toronto and no economic analysis, the wood turtle habitat regulation, which represents a 2,000% increase over previous standards, received cabinet-level approval and was filed. Economic analysis conducted by one of our members indicated that this new regulation will threaten 40% of the total available fibre on their management unit.

Business runs on certainty. How can the province stimulate investment and generate employment when the wood supply in Ontario is constantly threatened and continually shrinking? OFIA requests that the government permanently protect a minimum of 26 million cubic metres annually for utilization by existing mills and new entrants, even if it's not being used, because markets recover. Further, OFIA requests that government conduct economic impact assessments on all decisions that could reduce the provincial wood supply and cut jobs.

The following five recommendations are covered in far more detail in OFIA's written submission.

The second request is that government maintain all existing competitiveness measures and initiatives that have been put in place since 2005.

Our third request is that government maintain the crown dues rate for poplar and birch at a rate no greater than $1.07 a cubic metre for the next three years.

Fourth, the OFIA recommends that the Ministry of the Environment develop a risk-based approval system that quickly gives approvals to low-risk projects and puts more effort into approving complicated, high-risk projects. Also, again, we recommend that all new MOE policy receive economic impact assessments before the government makes final decisions.

Our fifth recommendation has to do with industrial electricity rates. OFIA members continue to be alarmed by the trend of rapidly increasing delivered electricity prices. We're asking for your support to reverse this trend and bring delivered industrial electricity prices to a competitive level. Detailed actions on electricity are on page 10 of our written submission.

Lastly, OFIA recommends the creation of a green energy credit. In Ontario, the forest sector is the largest producer and consumer of green energy. By working with Ontario's forest sector, the government will be

stimulating the province's green agenda with a made-for-Ontario green energy program.

In conclusion, Ontario currently consumes more wood products than it produces. As the population in southern Ontario continues to grow, the domestic demand for wood products will only increase, raising a fundamental question: Do we want to produce these products in Ontario, supply well-paying jobs, provide support for our rural and northern communities and, through integration, maximize biopathway opportunities, or do we want to forgo these benefits and import wood products from other jurisdictions? We can no longer witness the slow erosion of our natural resource sectors due to the agendas of special interest groups in Toronto which all have as their focus the permanent removal of land base from industrial use. We have incredible, responsible, economic opportunities in front of us and in order to maximize them we need the government to permanently protect our industrial wood supply, start conducting economic impact assessments, and take quick action on OFIA's recommendations. We need strong public policy that supports Ontario's world-class forestry sector and protects the economies of our communities and our province, because a healthy forest sector means a healthy Ontario and it keeps 200,000 working families employed.

1320

Thank you, members of the standing committee.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now turn it over to Mr. Barrett for questioning.

Mr. Toby Barrett: Thank you, Jamie. Toby Barrett here.

Ms. Jamie Lim: Hi, Toby.

Mr. Toby Barrett: I apologize for Dryden; we tried.

By 2012, the remaining four coal generating stations will be shut down. A quick question and then Norm Miller has some questions. Is the Ontario government and the forest industry—are you on schedule to replace a lot of that generation with wood biomass?

Ms. Jamie Lim: Toby, I can't answer that. That's a question for my direct member companies, if any of them are presenting to the standing committee. My members have been using biomass for fuel for a long time, so this isn't new to us. Are they ready to replace? Again, you'd have to ask my specific companies.

Mr. Toby Barrett: Thanks, Jamie.

Mr. Norm Miller: Jamie, it's Norm Miller here.

Ms. Jamie Lim: Hello, Mr. Miller.

Mr. Norm Miller: How are you?

Ms. Jamie Lim: I'm well, thank you.

Mr. Norm Miller: Good. Thank you for your presentation. I certainly noted your issues, especially the diminishing amount of area that you're able to carry out forestry operations on. You mentioned Algonquin park; Lightening the Footprint, I believe, is the name of the proposal—

Ms. Jamie Lim: Lightening the Footprint initiative; you're right.

Mr. Norm Miller: —that is making it more expensive and more difficult to carry out forestry operations in Algonquin park.

You also mentioned the Endangered Species Act. I was involved from the perspective of the opposition on that act, and it seemed to me that at the time it was passing through, the government said they were going to recognize the Crown Forest Sustainability Act but then changed their mind after the fact. Is that the case?

Ms. Jamie Lim: Yes. We have two letters, Mr. Miller, that made promises that the Endangered Species Act would be implemented using the Crown Forest Sustainability Act because we've been providing habitat for endangered or threatened species for years, for decades. To go and add another complex level was totally bizarre.

But you have to look at what has happened. This wood turtle habitat regulation that was passed without any economic assessment—you're in a recession, you've got $25 billion worth of debt and you're not doing economic impact assessment on your policies? It's quite mind-boggling. But anyway, this wood turtle is taking habitat from 300 metres to 12 square kilometres, and that's for a period of 20 years. You can't expect investors to invest, innovate, upgrade and keep people employed when they don't know if they have access to wood. The uncertainty is so significant and so huge, and with Algonquin park 7% of the land base is what's proposed to be removed and yet there's no science, just as there's no science with the wood turtle habitat. The biggest threat to the wood turtle is poachers because they pick them up and sell them for the pet trade. This habitat regulation that was just put in place does not preclude poaching and yet that's the biggest threat to the wood turtle, but it's going to cost 40% of fibre and one management unit where we've conducted economic assessment? That's jobs.

Mr. Norm Miller: And I understand your concern with energy prices. Unfortunately, I see them going nowhere but up in this province with some of the policies. But I just wanted you to briefly talk about the carbon footprint of forestry, because it's my impression that if you're harvesting trees and you have a healthy forest and the wood is being harvested into dimensional lumber, you're still storing carbon, so can you talk a little about that?

The Vice-Chair (Mrs. Laura Albanese): One minute left.

Ms. Jamie Lim: I had a whole suitcase full of books for you, because I never visit you guys without a tickle trunk. I had one of the latest books, the hottest book that's out there right now, Tackle Climate Change—Use Wood, the North American edition, and the preface is written by Premier Campbell and Governor Schwarzenegger. In it, and to quote the two of them, they say that they're hoping that people in both jurisdictions will "take the time to learn why using products derived from sustainably managed forests is one of the best things" we "can do to reduce our carbon footprint."

Trees die. It's what they do. When we manage a forest, we go in like farmers, like gardeners, and we ensure

that we manage against forest fires, we prune, we keep the trees growing. When we harvest, we plant new trees, and the new trees, like little babies, suck up more carbon than the older, dying trees do. They actually start adding.

Mr. Norm Miller: Thank you, Jamie.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. The time, unfortunately, has expired, but we thank you for your presentation.

Ms. Jamie Lim: Have fun in North Bay. All the best.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

DOMTAR

The Vice-Chair (Mrs. Laura Albanese): We now call on Mr. Pond from Domtar via teleconference. Hello, Mr. Pond. Are you there? We're now connected via teleconference with Mr. Pond from Domtar. Good afternoon.

Mr. Digger Pond: Good afternoon.

The Vice-Chair (Mrs. Laura Albanese): We would like to let you know beforehand that you have 10 minutes for your presentation. There could be up to five minutes of questioning after that. I would ask that you please identify yourself for the purposes of our recording Hansard before you begin.

Mr. Digger Pond: My name is Digger Pond. I'm the forest lands manager in northwestern Ontario for Dryden.

Madam Chairman, members of the standing committee, thank you for once again holding pre-budget consultations for northwestern Ontario and for granting Domtar the opportunity to address this committee.

I would like to take this opportunity to present a number of reflections and recommendations regarding the economic situation facing our operations in Ontario and our broader forest industry.

As you may be aware, Domtar is the largest manufacturer of uncoated freesheet in North America. Uncoated freesheet is a technical name for fine paper—for example, photocopy paper. We operate 13 paper mills and three market pulp mills in Canada and the United States. We also operate a number of sawmills in Ontario and Quebec. Domtar employs approximately 14,000 people, 2,000 of whom live and work in Ontario.

You may have already heard from various regional and provincial organizations about the severe financial and human toll extracted by the early recession Ontario's forest industry has faced for more than three years. In my estimation, nearly 50% of industrial capacity in lumber, pulp and paper, and panels has been idled, most of it indefinitely and some of it permanently. We have endured this experience at the Dryden mill, which, prior to January 2009, produced pulp and fine paper. We have had to restructure the Dryden mill, which now produces softwood pulp only.

We consider our operation at Dryden as among the survivors for now, but we are by no means out of the woods. Given the global credit crisis, low-cost foreign competition, secular paper demand, declines in the US housing market and the US housing market not expected to fully rebound until at least 2011, this is truly a serious business situation.

We have chosen instead to focus on those mills that are more strategic and competitive, such as the Dryden softwood pulp mill, the Espanola specialty pulp and paper mill and our Nairn Centre, Timmins, Elk Lake, Gogama and Ear Falls sawmills, the latter of which is currently indefinitely shut down.

We remain on constant watch as markets decline, prices fall and costs remain stubbornly high in comparison to our global competition. It will require the extraordinary commitment and creativity of our 2,000 Ontario staff, employees and contractors, assisted where possible by our government partners, to weather this continuing and unprecedented storm. At Domtar, our survival strategy is focused on a variety of areas, four of which the Ontario government can meaningfully contribute to in 2010 and beyond.

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Firstly, we need a secure long-term fibre base that meets present and future volume needs and provides a compelling incentive for boards of directors to invest scarce capital in Ontario. Particularly given the existence of alternative investment jurisdictions within our own company, there is a need to dispel the growing perception that Ontario is more about forest preservation than about forest management. Proposed 10-year reforms need to enhance, not diminish, business certainty. Indeed, a formal government commitment to permanently protect an industrial fibre supply of 26 million cubic metres per year of commercial fibre used by existing facilities and new entrants during normal market periods would send a powerful and reassuring signal to investors.

Secondly, we need that secure fibre base to be both affordable and competitive, which it most certainly is not, not even on a North American basis, let alone a global basis. For example, Ontario delivered softwood fibre costs in 2009 were 29% higher than those of British Columbia and 31% higher than the US south. Governments can help level the tilted playing field by maintaining the current $3-per-cubic-metre stumpage reduction on intolerant hardwoods and by reducing base stumpage of softwood pulp by at least $2 per cubic metre to compete with western Canadian provinces. The other beneficial programs that must continue are the Ontario forest roads program, which shares the cost of building and maintaining public sector infrastructure between the government and industry, and the forest sector prosperity fund. Since fibre accounts for about 35% of the pulp mill input costs and 65% of sawmill input costs, I cannot overstate the urgency of dramatically reducing the current cost to at least North American average levels if we are to survive.

Thirdly, it is critical that the initiatives implemented to help restore the competitiveness of Ontario's forest sector be maintained. Maintaining initiatives like the northern pulp and paper electricity transition program is key to the competitiveness of our remaining pulp and paper operations in Ontario. This program must be extended, since

even after a $10-per-megawatt-hour rebate, our net rates remain 45% higher than Quebec's and 65% higher than BC's.

Finally, number four, we request a recognition of the value of an integrated forest sector and the importance of primary mills like our mills in Ontario—Dryden and Espanola—as the biofibre and value-added sectors are developed. It's like the auto sector: Without an auto sector, you won't have a strong auto parts sector. The same is true for the forest industry. Without a strong primary sector—for example, pulp, paper and lumber—we don't have a strong value-added sector.

Domtar and its predecessor companies have a 100-year history of forestry and mill operations in Ontario. As mentioned, we currently employ more than 14,000 people in North America, and 2,000 of them are in northern Ontario. We contribute well over $1 billion annually to Ontario's economy through the purchasing of goods and services, half of this from companies in southern Ontario.

We are proud of our achievements in sustainable forest management, in Forest Stewardship Council certification, in community support and in the employment of hard-working men and women who produce high-quality Ontario products every day.

Recognizing Ontario's challenging fiscal situation in 2010, we are not asking for either a bailout or a handout. Rather, we seek the continuation of government initiatives in place since 2005 and targeted new measures directed at approaching parity with our global competitors in wood and electricity costs.

With the downturn in Ontario's base metal mining industry, we are all reminded of both the fragility of northern Ontario's economy and the need for economic diversification. Our forest industry has always been a part of that diversity and always will be, if provided with a competitive future investment climate. Please continue to work with us in 2010 to create a climate of economic opportunity.

Thank you for taking the time to receive our input. We look forward to it being reflected in this year's provincial budget. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Mr. Pond. I will now turn it over to Mr. Prue for questions.

Mr. Michael Prue: Thank you very much. This is Michael Prue. I'm the NDP member on the committee.

The questions I have are about the industry. You talked about Domtar having 14,000 people still working in Canada, 2,000 in Ontario, and then went on to say that 50% of the mills are idled.

Mr. Digger Pond: No, sorry: 14,000 people in North America.

Mr. Michael Prue: Oh, in North America. Okay.

Mr. Digger Pond: Yes, 2,000 in Ontario.

Mr. Michael Prue: Okay. And 50% of the mills are idled. What is the possibility of some of those mills being reopened? You said some will never reopen; some may. But given the circumstances, is there any possibility of any of the mills opening within the next year or two?

Mr. Digger Pond: I believe there is, which comes to the point of the request in our proposal of maintaining the programs that are currently in place and working toward enhancing others. Obviously, with the stumpage situation in Ontario compared to other provinces, for example, on the pulp and paper side of things, we are at a competitive disadvantage right now.

Mr. Michael Prue: But until that can addressed—and this is the question; I want them to reopen—what does the government need to do to actually give the incentive for your company and other companies like yours to reopen those closed mills?

Mr. Digger Pond: Electricity and costs are two of the key areas for us. Again, the programs that are currently in place, like the roads program—I think it's critical for those programs to continue, plus we have to take additional steps toward making stumpage rates, for example, in the province consistent with other provinces to be able to kick-start some of the mills that are idle right now.

Mr. Michael Prue: In terms of electricity, we know that electricity is produced in much of northern Ontario at around three or four cents a kilowatt, and we know that northern Ontario, and your companies in particular, are being charged many times that. Are you suggesting that we go back to a period where the electricity produced in northern Ontario could be used in northern Ontario at cost? Because now, there's sort of one cost for all of Ontario.

Mr. Digger Pond: Yes, there are different options to be able to get those costs down. You bring up the point of what the cost is to produce electricity. You're accurate in the sense of how much we pay for electricity. Still, even with the energy rebate programs that are in place, we're 45% higher than Quebec and 65% higher than BC, and the companies in those provinces are who we're competing against to try to keep our mills going. Obviously, something needs to change to be able to at least get on the same, level playing field as these other provinces.

Mr. Michael Prue: In terms of using biomass, I know that the lumber industry and Domtar have been using biomass for years. Is there any possibility that could be speeded up to the point where you could get most of your power from that, from the same products you're harvesting, so that you don't have to rely on the electrical grid?

Mr. Digger Pond: Yes. It comes back to creating an investment climate where you can convince companies to invest in this jurisdiction. Obviously, to be able to do that, you'd have to be able to have capital at your facilities, right?

Mr. Michael Prue: Yes.

Mr. Digger Pond: And to do that, you have to have an investment climate where you've got that fibre base that's secure for your mill and an operating cost that's low enough or consistent with other jurisdictions so that you can compete, and then I think you can attract the capital to do those things.

Mr. Michael Prue: Is the technology possible today to do that?

Mr. Digger Pond: Is the technology there? Yes.

Mr. Michael Prue: Thank you very much. Those would be my questions.

The Vice-Chair (Mrs. Laura Albanese): Mr. Pond, thank you very much for your presentation this afternoon.

We're not recessing, but we're paused.

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ONTARIO COMMUNITY SUPPORT ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We now welcome Ms. Noiseux. Good afternoon.

Ms. Carmelle Noiseux: Good afternoon.

The Vice-Chair (Mrs. Laura Albanese): Ms. Noiseux, from the Ontario Community Support Association, is joining us via teleconference.

I would like to let you know that you have about 10 minutes for your presentation, and that will be followed by five minutes of questions from committee members. Each party is going on rotation, and the questions in this round will come from the government side. Please identify yourself before you begin for the purposes of our recording Hansard. Thank you, and you may begin.

Ms. Carmelle Noiseux: Thank you. Hello, everyone. I'm on speakerphone, so I hope you can hear me well. My name is Carmelle Noiseux, and I'm the manager of Grace Haven adult day program in Dryden.

Our organization is part of the Ontario Community Support Association, a network of agencies providing home and community care to 750,000 Ontarians per year. I'm very excited about the opportunity to represent our organization and have a voice in the preparations for the upcoming 2010 Ontario provincial budget.

The Vice-Chair (Mrs. Laura Albanese): Ms. Noiseux, could I ask you to get off the speakerphone, if you could? It's causing an echo, and we can't hear you well.

Ms. Carmelle Noiseux: Okay, is this better?

The Vice-Chair (Mrs. Laura Albanese): Much better. Thank you.

Ms. Carmelle Noiseux: Okay. All right. So, again, my name's Carmelle, and I'm a manager of a day program in Dryden.

I'm here to provide the unique perspective of our grassroots not-for-profit community service in the northwest region. It's a great time for partnership, integration, innovation and co-operation for service providers and the government.

I'd like to share with you some information on what Grace Haven does and where we fit into the care and growth of our community. We opened our doors over 11 years ago to provide respite, recreation, education, transportation, medical support and meals to adults who are mentally, physically, emotionally or socially frail—individuals who, with enhanced supports, live independently in the community. One of the best benefits of our program is its beautiful home-like setting, with flower and vegetable gardens. There's nothing institutional about community support.

Just to give you some background on our community, Stats Canada data reveals that by the year 2016, our senior population—that is 65-plus—could rise to equal 34% of our general population in Dryden. Adding to that the lack of job security in our community, which has caused many to leave, reduces family supports for seniors. When the demands of the current 50-year-olds hit the system in our area, it'll be far greater, since we have grown up with more and expect more.

Providing care at home is the most cost-effective way to ensure a healthy Ontario. We know that there is a wide gap between community service costs and institutional costs in the province. The cost of providing two hours of laundry service and one hour of personal care could be all that's required to keep a 95-year-old community member at home and avoiding long-term-care placement, which is a greater cost to the province. Individuals with more serious diagnoses such as Alzheimer's disease would be able, when needed, to access that full-time, 24-hour support in a long-term-care setting, allowing the other community members to live, age and die at home as they wish.

Even with a current staffing unit equal to one full-time employee, our small agency is able to provide over 1,600 service hours per client to over 40 clients throughout the year. We are able to do so because we have over 100 volunteers that help with programming, transportation, fundraising and board representation.

In a northern community like ours, services often naturally expand to meet needs. We've expanded our client services to fill gaps in service and support younger individuals with acquired brain injury, sometimes resulting from failed suicide attempts, which is a real issue and becoming unfortunately more prevalent in the aboriginal population. We help clients attend programs and come into town through volunteer driver programs because they cannot afford a $40 taxi drive for a 10-minute trip into town. We have seen isolated and frail seniors go from sleeping all day due to depression and hopelessness to getting up, getting into routine and participating in life again. We have witnessed, through OT referral and community support, the change in someone's life from falling several times a year to having no falls over a one-year period.

Many supports can be put into place quickly, but the supports are still limited. The wait-list for supportive housing in our community is up to two years, with long-term wait-lists being very much the same. The longer people have to wait and the further their family supports are, the faster their health will deteriorate.

Being taxpayers, we recognize the challenging fiscal situation the province and our government is in. This challenge is a daily reality as smaller organizations like ours are forced to fundraise between 10% and 40% of our budgets. Fiscal responsibility is one we take seriously, and financial juggling and creative thinking are put into place so that client needs never suffer, client fees are kept

at a minimum, and we are still able to plan for growth and expansion.

Being mindful of the government's responsibility does not detract from the reality of the needs and demands of an ever-changing and ever-aging population in a geographical area equal to one third the size of Ontario. In our communities, family size in decreasing. Families are often scattered across the country, which makes caregiving more challenging. Some families have to travel two to five hours to visit loved ones moved into long-term care because there are no beds available within their own community. Weather conditions can make visits and supports from families very unpredictable. Many do not have access to needed supports due to challenges in transportation. People cannot simply hop on an accessible bus or cab. Wheelchair-bound is really wheelchair-bound in many parts of the northwest. Can you imagine needing a medevac just to go to the dentist, or travelling one to two hours, three times a week, for four hours of treatment for dialysis? Many service providers extend their services over this huge geographical area.

We also see increases in unemployment, smoking, suicide, alcohol abuse, obesity and chronic disease, and lower rates of direct primary care, even for palliative patients, who bring their own issues. We've got complex health and social problems that we need to take a serious look at in the northwest. We have the highest percentage of aboriginal peoples, more seniors living at home alone, more unpaid caregivers—the list goes on.

When new funds come through they often head straight to the larger centres, and in the northwest, that's Thunder Bay. We face strong competition to find and retain nurses, doctors and PSWs. We've had to close the emergency room several times due to lack of physicians. A recent community needs survey revealed that primary care is still the top of your list—see your own doctor when you need to. Other service providers see that an increase in funding to provide care for walk-in clinics, hospice, travelling chiropodists and respite is needed in our area.

We urge the government to look at the disparity between larger centres and institutions and home-based care settings, to provide adequate support to service agencies to ensure that personal support workers and other community workers are paid adequately and are given benefits equal to those in institutional settings. We also urge you to provide the resources available to monitor the training organizations to ensure quality of training.

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Community supports save money: The cost difference between long-term care and alternative level of care is great, from four times to 100 times the difference in cost. Many times, adding minimal services, such as one meal service a day or helping with laundry once a week, is all that's needed to avoid long-term care or hospital placement.

Investing in home and community care frees up hospital beds and unclogs emergency rooms. We're able to intervene before informal caregivers burn out or a crisis occurs, resulting in alternative level of care and expensive hospital stays. Living in your own home allows an individual more control of their own life: when to get up, eat breakfast, have a bath, assume responsibilities for one's own actions and live with dignity and equality within our community.

We also stress the need for adequate and uniform assessment tools. The selection process of the tool that is requested will be completed by March 31, 2010—a year early. In last year's pre-budget submission, the Ontario Community Support Association requested this, and we thank you for following through. We encourage you to invest sufficient resources so that community support providers can implement the common assessment instrument without negatively impacting their ability to provide services and to continue to work within the LHINs' mandate to improve the health care system.

The Vice-Chair (Mrs. Laura Albanese): You have about 45 seconds left.

Ms. Carmelle Noiseux: We also ask you to take a serious look at the harmonized sales tax initiative, to keep monitoring it, to provide sufficient resources to community support agencies to make the transition alongside with small businesses.

We encourage the government to look at increasing funding to the LHIN, to disburse these funds to community support services to ensure that people are receiving the health services they need within their own community.

Thank you very much. I would love to answer some questions, if you have any.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I will now turn it over to Mr. Arthurs.

Mr. Wayne Arthurs: Thank you, Carmelle. This is Wayne Arthurs. Just a couple of questions. You covered a pretty broad range of supports that support organizations provide and certainly made some reference to the geographical challenges that northwestern Ontario has to face in doing that. With the financial resource capacities that are available, how do you go about prioritizing where those dollars are going to be spent, and what would you see as the high-priority areas, given today's fiscal environment, because there are not going to be a lot of additional monies available, if any?

Ms. Carmelle Noiseux: In our community, we see a few key areas that are lacking. One is that we definitely would like to expand and diversify some of the supportive living environments. People are able to live within their own homes with the community supports that are made available, but there is a gap between living in their own home and the number of supportive housing units available. If there were more beds available, then people would not have to enter into long-term care early, and that would be a cost savings.

As far as prioritizing, we have formed a committee within our own community, a coalition of health and service providers. One of the initial steps is educating the community on what services are available and asking

what they see as their needs, to ensure that they can stay and age in place for as long as possible. One of the key points in that survey was that people are still very concerned with access to primary care, that we're still very much competing with the larger centres to attract doctors and retain them in our community.

Mr. Wayne Arthurs: That's particularly helpful. We know the challenges of finding primary care. The physicians or nurses in rural communities, particularly those with large geographies—that's going to be a continuing challenge. Thank you for your comments on the supportive living environments and housing capacities. Certainly, we're hearing from others during the tour we've been doing about methodologies that are more cost-effective to manage people, either in-home or in an environment other than hospitals, where it's a much higher-cost venture to keep people for extended periods of time.

Ms. Carmelle Noiseux: Yes, and none of us want to be there, so that really affects our emotional and mental health as well.

Mr. Wayne Arthurs: Carmelle, thank you very much. That's the end of my questions, Chair.

Ms. Carmelle Noiseux: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for intervening today.

We are just waiting for the telephone to ring.

KENORA-RAINY RIVER DISTRICT HOSPITALS

The Vice-Chair (Mrs. Laura Albanese): Our next presentation will come from the Kenora-Rainy River district hospitals, via teleconference. Good afternoon.

Mr. Mark Balcaen: Good afternoon.

The Vice-Chair (Mrs. Laura Albanese): I would like to remind you that you have 10 minutes for your presentation; that could be followed by up to five minutes of questioning. Each party is going in rotation, and this round will go to the official opposition.

I also want to clarify who is on the phone: We have two names that were provided to us, so if you could please state your name clearly before you begin for the purposes of our recording Hansard.

Mr. Mark Balcaen: Very good. Would you like me to start now?

The Vice-Chair (Mrs. Laura Albanese): Yes, we would like you to start now, but do we have both Mr. Petranik and Mr. Balcaen?

Mr. Mark Balcaen: No, it's Mark Balcaen speaking.

The Vice-Chair (Mrs. Laura Albanese): Okay; Mark Balcaen. Thank you very much. You may start.

Mr. Mark Balcaen: Thank you. I'd like to first of all express my appreciation to the committee for allowing us to present to you today. I'd like to introduce myself first. My name is Mark Balcaen and I'm the president of Lake of the Woods District Hospital, located in Kenora. I am here speaking today on behalf of the six hospitals located west of the Thunder Bay district, going towards the Manitoba border. They include the Red Lake Margaret Cochenour Memorial Hospital in Red Lake; the Atikokan General Hospital; the Sioux Lookout Meno-Ya-Win Health Centre; the Riverside Health Care facilities in Fort Frances, Emo and Rainy River; and the Dryden Regional Health Centre in Dryden.

Ladies and gentlemen, we face unique challenges. Six of our hospitals provide a wide range of health services to a population of some 85,000 people dispersed in a geographic area equal to 40% of the total land mass of Ontario. Over one third of this population is aboriginal, either living in or around the six larger communities in the south that I've just mentioned or scattered among the 30 remote First Nation communities in the north. Our largest communities are between 250 and 500 kilometres away from the closest urban centres of Winnipeg and Thunder Bay.

Weather conditions make travel extremely challenging, which exaggerates this region's remoteness and isolation. I believe some of you experienced those weather condition problems in your attempt to get into Dryden yesterday. Travel by road is by single-lane highways that are often closed due to weather conditions or serious traffic accidents. Just to let the committee members know, yesterday there was a major traffic accident on the TransCanada Highway between Kenora and Dryden involving two semi-trailers. The highway was closed for over four hours.

Travel by air, the only option for most First Nation communities, ranges from challenging to impossible in many weather conditions and often leaves us with fewer or no options for urgent and non-urgent patient transfers. Air and land ambulance services are stretched to respond to critical and emergency situations as well as to support the non-urgent patient transport needs of the district.

Hospitals in the Kenora-Rainy River district have a long tradition of providing high-quality, comprehensive care services to our communities. In addition to general surgery services provided in four of our hospitals, we also provide many visiting-specialist clinics and access to specialist surgical procedures, including cataract surgery; ear, nose and throat surgery; pediatric dental surgery; and gynecological surgery. Many of our hospitals also provide life-saving outpatient chemotherapy and dialysis services.

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If our hospitals did not offer these programs, families would have no alternative but to travel multiple times, over long distances, to urban centres, delaying both diagnosis and treatment, and incur significant economic costs in terms of time off from work and travel and accommodation costs.

We have different responsibilities than many other hospitals in Ontario. We are both the hub and the safety net for the health care in our communities. In addition to acute care hospital services, many of our organizations provide primary care, community mental health and addictions programs, chronic care, community rehab programs, chronic disease management, disease screening and prevention, health promotion, long-term care and

palliative care. We really do provide a huge range of services for our communities.

Because of economic and geographic barriers, there are many gaps in community-based services so the hospital becomes the place of last resort when no other service is available, whether it be an emergency room, a crisis response counsellor, detox service or respite beds.

The Vice-Chair (Mrs. Laura Albanese): I am sorry to interrupt you, Mr. Balcaen. I wanted to let you know that we have Mr. Petranik on the other line. We have technical challenges in getting both of you to be heard at the same time, simultaneously. Therefore, Mr. Petranik wanted to know if you would like him to answer the questions at the end of your presentation or if you're okay with doing that yourself.

Mr. Mark Balcaen: I'm happy to share the presentation and have my colleague answer the questions.

The Vice-Chair (Mrs. Laura Albanese): Okay, then. Thank you very much. You may continue.

Mr. Mark Balcaen: Our hospitals are also leaders in providing culturally sensitive and appropriate health care services to all the communities we serve, including offering our aboriginal patients services in their own language, sensitive to their cultural traditions.

Let me put this in perspective. In other areas, many of these services are offered outside of the hospital. For example, the Toronto Central LHIN, just one of three LHINs that serve parts of Toronto, funds 204 different health service organizations, from teaching in community hospitals to home care and Meals on Wheels. That kind of breadth and specialization of services is, for the most part, provided only by hospitals in northwestern Ontario, which is why keeping our hospitals strong and stable is so important.

We understand that the fiscal economic crisis facing Ontario is extraordinarily serious and that government revenues have fallen dramatically. We understand tough times in northwestern Ontario, and that tough times necessitate new ways of doing things.

Our isolation and limited resources have inspired close co-operation with and among our local and regional health care partners, and we are leaders in the application of telemedicine technology, integrated information systems, regional laboratory services and digital imaging. We are proud of our work in this regard.

As you know, the government has been unable to provide hospitals with an operating-funding planning target for the 2010-11 fiscal year. In the absence of that target, LHINs and the hospitals have developed planning scenarios derived from different funding assumptions: the 0%, 1% and 2%. This is a reasonable and responsible step in these circumstances.

We believe that a 2% increase in hospital operating funding for 2010 and 2011 is reasonable and responsible in these economic circumstances and will help to minimize the negative impacts on patient services. It will also help to maintain public confidence in our hospitals and the health care system.

Although you will likely hear this from hospitals in other corners of the province, the need for this level of funding is absolutely critical in northwestern Ontario, given the central role that the hospitals play in providing health care. For the reasons outlined earlier, it is clear that a reduction in hospital funding in northwestern Ontario would be a reduction in direct patient care services.

Hospitals in northwestern Ontario are special. We have achieved these significant accomplishments in spite of the significant challenges of vast distances, weather, travel, transportation, and professional staff recruitment and retention.

The future prosperity of this part of the province depends on having a strong health care infrastructure to support economic development. Our hospitals understand the difficult financial realities of today and, as always, we are willing to do our part. Over the years, we have answered the call of improving the quality and safety of our services, meeting increased standards and regulations, and improving efficiency and accountability. However, we must ensure that our health system is strong to support the communities and economy of the future, and that the Kenora–Rainy River hospitals are able to continue to be that safety net that our communities desperately need today.

Thank you for the opportunity to speak with you today on these matters of extreme importance for the people of the Kenora–Rainy River district.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation, Mr. Balcaen. We will now—

The Clerk of the Committee (Mr. William Short): Hear from Wade.

The Vice-Chair (Mrs. Laura Albanese): Yes. We will hear from Mr. Petranik. Thank you very much.

Mr. Peter Shurman: On a point of order, Chair: Was Mr. Petranik capable of hearing Mr. Balcaen?

The Clerk of the Committee (Mr. William Short): No.

The Vice-Chair (Mrs. Laura Albanese): No.

Mr. Peter Shurman: But he has the presentation, so that's okay.

The Vice-Chair (Mrs. Laura Albanese): That's why I interrupted him.

Mr. Peter Shurman: That's fine.

The Clerk of the Committee (Mr. William Short): Okay, go ahead.

The Vice-Chair (Mrs. Laura Albanese): Mr. Petranik?

Mr. Wade Petranik: Good afternoon.

The Vice-Chair (Mrs. Laura Albanese): Good afternoon. We have heard the presentation from Mr. Balcaen, and we're now ready for the question part of the presentation. This rotation goes to the official opposition. Mr. Barrett?

Mr. Toby Barrett: We appreciate the deputation. We regret we could not get up to Dryden yesterday.

In the presentation, it identified the hospitals oftentimes as a place of last resort for detox and other gaps in

community services. Several of our presentations on this tour from other hospital organizations talk about the pressure on beds because the community does not have adequate either long-term-care facilities or supportive housing or retirement homes.

I guess two questions: Is there pressure on bed availability amongst the several hospitals west of Thunder Bay? Secondly, is it related to long-term care or people who may be better served in another facility, or even at home, for that matter?

Mr. Wade Petranik: Yes, there are pressures in many of the communities in the Kenora–Rainy River district. Certainly in Dryden here, for example, as of today, 50% of our beds are currently occupied by ALC patients, most of those requiring long-term-care services that they are unable to obtain.

I would say that the other communities have similar pressures. It's somewhat sporadic, so we have higher pressures at certain times of the year. Particularly in the wintertime it seems to be more of a problem, but it is a problem at certain times.

Mr. Peter Shurman: Mr. Petranik, it's Peter Shurman, MPP for Thornhill. My question focuses on the 2% increase that you're looking for. A lot of hospital organizations around the province that we've heard from are also guesstimating at 2% being the number and also talking about sustainability of the level of service they are providing. However, given the nature of what you provide in the six hospitals, the way it has been quite well described by Mr. Balcaen, I'm interested in you expanding on the phrase used: "absolutely critical."

Mr. Wade Petranik: Given the range of services that we do provide, certainly even at 2% there are some tough choices that many of our organizations have to make in terms of being able to maintain access to all the services that we currently provide. So even though we are looking very hard for operational efficiencies and other things that we can do to be smarter and more efficient, there still comes a point in time where we have to meet our increased costs and something has got to give, whether that means that people have to wait longer for services or may have to travel to tertiary centres to access those services. Those are the kinds of choices that we're having to make.

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Mr. Peter Shurman: Between that and the fact that you just told my colleague that 50% of the beds are occupied by long-term care, what happens if that 2% doesn't show up?

Mr. Wade Petranik: Like I say, we'll have to look at a host of options in terms of where we look at finding savings. There certainly will be some operational savings that we can find. There may be some integration opportunities that we can explore with other health care providers to better provide integrated services and share resources. But we may have to look at lower-priority services.

Mr. Peter Shurman: Thank you very much, sir. That's my question.

The Vice-Chair (Mrs. Laura Albanese): Further questions? No.

Thank you very much, Mr. Petranik, for appearing before the committee via teleconference this afternoon.

Mr. Wade Petranik: Thanks very much for the opportunity. I'm sorry that people weren't up to see Dryden, because we'd love to have you up here.

The Vice-Chair (Mrs. Laura Albanese): We would have loved to be there. We were very disappointed that we didn't make it up. It will be for next time. Thank you.

CITY OF KENORA

The Vice-Chair (Mrs. Laura Albanese): Ms. Karen Brown?

Ms. Karen Brown: Hi there. Should I just go ahead and start?

The Vice-Chair (Mrs. Laura Albanese): No, no. Good afternoon, first of all. We want to welcome you to our committee. Also, I want to let you know that you will be allowed 10 minutes for your presentation. That will be followed by up to five minutes of questions from committee members. Each party goes in rotation, and this rotation will go to the NDP. I would ask you to please state your name for the record and for the purposes of our recording Hansard before you begin, and you may do so at any time.

Ms. Karen Brown: Thank you. My name is Karen Brown. I'm before you today representing the city of Kenora. We're here today, just as so many other municipalities and stakeholders from the north are, to speak about the issues being faced in northwestern Ontario and the province.

We recognize that there are so many issues facing so many different stakeholders across the province. The economic turmoil that the world has faced over the past few years has deeply affected the world in which we operate. But it's important to recognize that northwestern Ontario was deeply impacted prior to the rest of the province, largely as a result of the crisis in the forestry industry.

We have brought with us today some key issues to speak on with the province as part of your pre-budget consultation process, and over the next few minutes I'll briefly identify each issue and provide you with a recommendation from Kenora. We hope you will look at these recommendations seriously and give careful consideration to implementing them into your 2010 budget. We look forward to partnerships with the province that will help not just Kenora and northwestern Ontario municipalities but municipalities across the province.

Number one is the forestry industry. The city is very supportive of the work done by the Ontario Forest Industries Association, OFIA, and we would like to endorse their pre-budget submission. Because I only have 10 minutes, I won't read all the recommendations from the OFIA; I know you will hear them from them. But if you do have any questions for me as part of our section, I

know you have the literature in front of you, so I'm assuming that you'll have a chance to glance at that.

For Kenora in particular, it's critical that the province implement a plan that will ensure the timely flow of fibre to the local mills, specifically with regard to harvesting in the Whiskey Jack and Kenora forests. This includes making sure the required support is provided to resolve the Grassy Narrows situation, to ensure a secure and uninterrupted wood supply, based on the work done by Justice Iacobucci with the Grassy Narrows First Nation.

Our next issue to discuss is the Kenora OMPF funding and the RSCM. Kenora, in our opinion, has been unfairly penalized by the application of the rural and small community measure, or RSCM, with regard to its Ontario municipal partnership fund, or OMPF, allocation. The RSCM is a formula based on statistical information provided by Stats Canada. Most municipalities in the north are deemed too small to be statistically interesting. Unfortunately for Kenora, we are just large enough to be statistically interesting. This means that we have an RSCM applied to us of less than 100%, but all the other municipalities in the north in our district have a 100% RSCM. In fact, we are the only municipality in the Kenora district with an RSCM of less than 100%. This means that for 2010, our OMPF funding is about $2.1 million less than what we believe it should be and what it would be if we had an RSCM of 100%. This is obviously a significant impact to a city the size of Kenora. We need the province to amend the city's RSCM to 100%, effective immediately, and preferably retroactive to 2005, when the OMPF was first implemented.

Roads, bridges and infrastructure deficit: Municipalities across the province have a significant infrastructure deficit, one of the most significant portions of which is roads and bridges. The recent Auditor General's report for 2009 noted that municipalities have responsibility for 80% of Ontario's bridges, and Ontario municipalities own more infrastructure assets than any other order of government in the province. The report goes on to say that Ontario municipalities cannot make up the infrastructure deficit alone and must have long-term sustainable and predictable infrastructure funding programs from the federal and provincial governments to support these priorities.

Just in Kenora, we estimate that our road and bridge infrastructure deficit alone is over $5 million annually, and that's compounding annually. It's critical that a committed, ongoing infrastructure funding program for roads and bridges be established and made available to municipalities.

The next issue is twinning Highway 17. On May 15, 2009, Prime Minister Stephen Harper and Premier Dalton McGuinty announced the first stage of twinning Highway 17, commencing at the Manitoba border. Tourism will be a growth area for the north in the future, and twinning this highway will make a real difference in providing access to the north. We would like to urge the province to keep this important expansion moving forward to full completion as quickly as possible. A twinned highway will provide us with a powerful underpinning for our future growth, but it has to happen sooner rather than later.

Drinking water quality management system, or DWQMS: The transition to a drinking water licensing program represents a major change of focus in the management of municipal drinking water systems for most municipalities. The biggest challenge presented by the DWQMS is the requirement for infrastructure maintenance, rehabilitation and renewal. The expectation is that this requirement will be maintained on a user-fee basis and the end user will bear the cost. Unfortunately, the additional burden may be more than people are willing to accept. It is critical that a committed, ongoing infrastructure funding program for water and sewer operations be established and made available to municipalities to ensure the ongoing successful implementation of the DWQMS standards.

Land ambulance funding: Costs related to land ambulances were downloaded to municipalities in 1998 as part of the local services realignment, or LSR. At that time, the province committed to revenue neutrality related to the LSR, and the community reinvestment fund, or CRF funding, was introduced to reconcile these costs and provide funding. When the CRF was replaced by the Ontario municipal partnership fund, or OMPF, in 2005, land ambulance was removed from the funding calculation. The Provincial-Municipal Fiscal and Service Delivery Review did not resolve this issue and municipalities continue to bear the costs related to this program. The land ambulance program delivery should be taken back directly by the province. At a minimum, appropriate municipal funding must be established to offset the significant and escalating cost for this program delivery.

The rent scale issue: Since 1998 and the transfer of social housing to the property tax roll, taxpayers across the province have been subsidizing Ontario Works, or OW, and Ontario disability support program, or ODSP, with social housing dollars. Under the provincial rules, tenants receiving OW or ODSP pay artificially low social housing rents, so property taxpayers end up subsidizing social assistance dollars with 100% social housing dollars, resulting in the province saving between 80% to 90% of related costs. This is known as the rent scale issue. For example, for a family of three living with a market rent of $900 per month, an additional $600 is paid for through the property tax roll if they reside in social housing as opposed to a private residence. The province should immediately raise the OW and ODSP rent scales for all social housing tenants to the maximum shelter amounts for private housing tenants.

The municipal levy for the homes for the aged: Homes for the aged in the north do not currently receive adequate funding related to townships without municipal organization, also known as TWOMO or the unorganized area. In comparison, district services boards and health units currently receive this funding. In 2009, the Kenora District Services Board's amended budget indicates that it will receive 45.2% of its funding from TWOMO. The

total 2009 municipal levy from the district home is $3.35 million. Based on this, it is estimated that the TWOMO share for 2009 would represent just over $1.5 million in funding from the province, monies that are currently paid for through property tax dollars. The funding formula for district homes needs to be amended to adequately reflect TWOMO funding.

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I'd like to thank you for listening to me today. I'd also like to thank you for not beeping me if I got over 10 minutes; hopefully I didn't.

The Vice-Chair (Mrs. Laura Albanese): No, you didn't.

Ms. Karen Brown: Good. I'd like to say: Welcome to the north. Only in the north can you try to get into Dryden and end up in North Bay. I was very happy you ended up in North Bay because I couldn't get into Dryden either; the highway was closed between Dryden and Kenora. So, welcome to the north and to part of our weather-related wonderful winter.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Ms. Brown. It is a pleasure to be as north as we could get.

Ms. Karen Brown: Absolutely. I understand.

The Vice-Chair (Mrs. Laura Albanese): I will now turn it over to Mr. Prue for questions.

Mr. Michael Prue: Thank you. It's Michael Prue; I'm the member from Beaches–East York. Just some questions here: You were saying that Kenora is statistically interesting. What is the number or population that makes you statistically interesting?

Ms. Karen Brown: It's 10,000.

Mr. Michael Prue: So Kenora has more than 10,000 people?

Ms. Karen Brown: Yes. We have 15,177 as per the recent census, the 2006 census.

Mr. Michael Prue: Okay, that would be Kenora and district, not just Kenora.

Ms. Karen Brown: That's Kenora.

Mr. Michael Prue: Okay.

Ms. Karen Brown: Population counts vary, right? If you look at the census, Kenora has 15,000 people, but if you look at other population sources, like how we get charged our per capita from the health unit, it's a different number. But it is over 10,000.

Mr. Michael Prue: Okay. So one of the easiest things to do would be simply to change that magic number from 10,000 to 20,000.

Ms. Karen Brown: You have my vote.

Here's the problem with that number, though: We actually had talked to the province about doing that, and what they said is that it's Stats Canada that determines that number, not the province itself. What we wanted was the recognition that we're still pretty small, we're in the north and we've been impacted, but the province was very clear that it's Stats Canada that sets the number. But if you can get them to change that to 20,000, then honestly you have my vote and I will lobby for you.

Mr. Michael Prue: Because that will help a lot of small, rural and northern communities.

Ms. Karen Brown: Absolutely.

Mr. Michael Prue: The second one was the land ambulance funding. You are requesting that it be taken back directly by the province, or at a minimum, that provincial funding must be established to offset the significant and escalating costs for this program delivery. What is it costing Kenora for land ambulance at this point?

Ms. Karen Brown: It's about $800,000 this year. I can pull up the exact number if you want, but the amended budget was about $800,000 for our annual levy just for Kenora itself.

Mr. Michael Prue: All right. So it seems to me that this should be something that is borne by the province. Okay, we'll try to put something together for that, but failing that, you would accept the money and continue on with it?

Ms. Karen Brown: Absolutely. We would take it either way.

Mr. Michael Prue: Okay. The next is a problem we've heard from some municipalities before: that the province should immediately raise OW and ODSP rent scales. How much is this costing Kenora in terms of the social housing that you're having to pay?

Ms. Karen Brown: I understand that the costs for the district are between $3.5 million to $4 million over the last 10 years, but I don't know Kenora's exact percentage share of that annually. If you looked at 10 years, $400,000 a year, Kenora's share would be about 20%, so say $80,000.

The thing is, though, that the issue is going to compound as these services are uploaded by the province. For example, in 2009 ODSP was 80% paid by the province. This year it's 90%, next year it's 100% and then we have the Ontario Works phased in. So these differential amounts are only going to escalate as social housing continues to sponsor the program while the province is paying 100% of these programs.

Mr. Michael Prue: I want to understand this: What you're saying is, as the province uploads, it is costing Kenora more money?

Ms. Karen Brown: Sorry; let me clarify that. It won't cost us more money. There are more savings that should be occurring as the province uploads that we're continuing to pay 100% for through social housing dollars. Is that—

Mr. Michael Prue: So in effect, the upload is not causing Kenora to save some money?

Ms. Karen Brown: There are definitely savings being achieved on those services as a result of the upload. It will not save us money with regard to the rent scale issue.

Mr. Michael Prue: Okay. We have heard from the forest industries. We had four: AbitibiBowater, the Ontario Forest Industries Association, Domtar and a presentation this morning from—

Ms. Karen Brown: Jamie Lim?

Mr. Michael Prue: No, Jamie Lim was this afternoon—from the Working Forest Newspaper. They all

pretty much said the same thing about the forestry rates, the access, electricity, the use of wood, biomass fuels—

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Michael Prue: Is there anything you would like to add to that?

Ms. Karen Brown: No, other than the very Kenora-specific. We're very supportive of the work done by the OFIA and we support their recommendations, but also, in the Kenora area, we have a specific issue with regards to our Kenora and Whiskey Jack, most particularly the Whiskey Jack Forest. We need those issues resolved and we need the support from the province to make sure those issues do get resolved so we have ongoing, sustainable fibre to our mill.

Mr. Michael Prue: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Ms. Brown, for your intervention.

Ms. Karen Brown: Thank you very much for listening to me today. Take care.

The Vice-Chair (Mrs. Laura Albanese): Bye.

NORTHWESTERN ONTARIO MUNICIPAL ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): Now we would like to welcome the Northwestern Ontario Municipal Association. We should be connected, via teleconference, with Mr. Power.

Mr. Michael Power: You are indeed.

The Vice-Chair (Mrs. Laura Albanese): Good afternoon, Mr. Power.

Mr. Michael Power: Good afternoon.

The Vice-Chair (Mrs. Laura Albanese): You'll have 10 minutes for your presentation. That will be followed with five minutes of questioning. Each party is going in rotation. This rotation will go to the government side. If you could please state your name for the record, for the purposes of our Hansard recording, we would appreciate that, and after that you may begin.

Mr. Michael Power: Well, that comes right off the top: My name is Michael Power, and I am the mayor of the municipality of Greenstone and the past president of the Northwestern Ontario Municipal Association. It's a pleasure to join you this afternoon. I would have preferred to join you yesterday morning in Dryden, but northern weather doesn't always do what we want.

Our time today, members of the committee—and I regret I can't see you face to face—does not allow us to present all of the issues that bedevil northwestern Ontario, so we've chosen to focus on several key items, but please do not think these are the only issues facing us.

We are well aware that the province of Ontario is facing difficult economic times. The municipal order of government is also facing extremely challenging times.

Before I go on, can everybody hear me clearly?

The Vice-Chair (Mrs. Laura Albanese): Yes, we can. We also hear the sirens in the background.

Mr. Michael Power: That I can't control.

It has been referenced that almost 48% of the workforce in northwestern Ontario is out of work, and in some of our communities, such as mine, that translates into 60% unemployment. Many northern communities are single-industry towns, and we have been facing the effects of the recession for almost five years now. This means that the mills are closed and, in some cases, demolished, leading to a total lack of industrial assessment. When you combine that with the lack of jobs, you can easily translate that into declining tax revenues. This makes it exceedingly difficult to maintain the services that people need and want.

We have also seen, and continue to see, the dislocation that comes with one member of the family moving away to find work; that's disrupting the family unit. We say this because we at the municipal order of government are always nervous that you will decide to give us more responsibility without the corresponding revenue stream. We say to you, "Please do not try to balance the provincial books on the backs of municipalities."

We appreciated the outcome of the provincial-municipal finance review negotiations. We encourage the government to get on with the Ontario municipal partnership fund negotiations, as was promised at that time. In the interim, it is vital that the current OMPF and the mitigation fund remain in place for northern municipalities, and we again ask for an increase in the northern per household grant of $75 above what it currently is.

We look forward to the increase in the northern Ontario heritage fund budget to $90 million in the 2010-11 provincial budget. This is extremely important to us, and any reduction in this commitment would have a significant impact.

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We do not intend to deal with the HST. You are well aware of the views of the citizens of Ontario. We would ask again, however, that you look at the impact on northern Ontario that was never intended, especially as it will affect the cost of home heating in our usually long and cold winters.

A very important issue for all of northern Ontario is the Grow North plan. As you know, the draft plan has been released and consultations are being conducted to collect feedback that will be included in the final plan. We are pleased that the north is being made a priority for the Places to Grow process, and we are currently finalizing the NOMA submission. What is vital is to ensure that funding is in place immediately to implement the action items that will be contained in the Grow North plan. We cannot afford to put the Grow North plan on the shelf while we wait for money to get started. Budget 2010 must contain sufficient funds to continue to move the Grow North plan forward.

An important part of the Grow North plan relates to energy. When the original integrated power system plan was presented, there was virtually no mention of the northwest. NOMA, Atikokan and the city of Thunder Bay intervened before the OEB and caught the attention

of the OPA, Hydro One Networks and the Ontario government. Then-Minister Smitherman recognized our concerns and asked Hydro One Networks to come up with a plan for the upgrading and linking of transmission facilities in the northwest. NOMA is generally supportive of the plan and has detailed our position in a resolution that is attached, as well as a map showing the options. I believe, members of the committee, you have our full submission and you have seen the attached resolution. We raise this with you as this project requires significant financing.

As noted in the Grow North plan draft, the province, working with the Ontario Power Authority and Hydro One, will invest substantially to upgrade the transmission network and increase capacity for the development of renewable energy projects across northern Ontario. Some $2.3 billion in province-wide investment is already committed over the next three years, nearly half of which will be spent on projects which are in northern Ontario, and we applaud that. It is essential that these upgrades be treated as a package, not just a one-off for short-term gain. It is also important to note that these upgrades, particularly those in the western part of the region, will facilitate transmission capacity sufficient to connect many First Nations to the grid.

The 2009 Ontario budget provided $32.5 billion in infrastructure stimulus funding over two years. This funding was greeted with excitement by municipalities across the province. However, due to one-third contribution requirements and shortened construction time frames, some municipalities that were approved for funding have been unable to proceed with their proposed projects. It is vital that these funds continue to be used for their original intent of infrastructure renewal, not returned to the government coffers. Many northwestern Ontario municipalities continue to have shovel-ready projects that should be considered to ensure the best use of any remaining infrastructure stimulus funds.

In addition, we would like to echo the concerns of the Federation of Canadian Municipalities relating to the time limit for completion of ISF projects. Despite best intentions, the majority of projects that were approved were not finalized until July 2009, and as such, valuable construction time was lost due to no fault of the municipalities. We therefore strongly recommend that the time frame for project completion be extended to October 31, 2011. This will ensure that all projects have two full construction seasons, as promised when the infrastructure stimulus fund program was announced.

Forestry and the forest sector industry continue to be an important issue in northwestern Ontario. We are heartened to see that the new Ministry of Northern Development, Mines and Forestry appears to be willing to look at this whole area with new eyes and new thoughts. We do have to ensure that the allowable harvest is protected for the future. The fact that we are not currently harvesting the total allowable cut should not have the provincial government thinking it is not needed. When we change the forest industry from its historical basis to the new forest economy, this total allowable cut will be needed. Reducing the allowable cut will then be seen to have been short-sighted and detrimental to the sector and the economies of the province of Ontario and northwestern Ontario.

A new forest tenure system is vital. A system that takes into account the interests of communities, First Nations, contractors, tourism operators and environmental groups will go a long way to creating a viable and sustainable industry going forward. This commitment by the Ontario government requires resources, and the 2010-11 budget needs to ensure that financial resources are in place to achieve this very desirable goal.

Non-emergent patient transport concerns have become increasingly frustrated and expensive for our members in the northwest. Municipalities are currently directing and funding emergency medical services to provide emergency service that aligns with police and fire service. At this time, in northwestern Ontario, EMS provides two types of patient calls: emergency and non-emergency. In both cases, patients are transported by paramedics using an ambulance. EMS is designed, mandated and funded to provide emergency assessment treatment and transportation systems or services.

However, for those of us outside the city of Thunder Bay, there is no alternative transportation service to provide non-emergent transportation. An example of non-emergent transportation would include transferring a patient who is in no immediate distress but needs expanded treatment from the hospital in Marathon to Thunder Bay Regional Health Sciences Centre, a three-hour trip one way, sometimes longer, depending on the weather.

The Vice-Chair (Mrs. Laura Albanese): You have about 25 seconds left for your presentation.

Mr. Michael Power: You see in there we have a suggestion as to what you do in southern Ontario in terms of non-emergent transfers. We ask that you look at this and see how we can put this in place in northwestern Ontario. This will be a continuing issue to us. A separate infrastructure system is what we need to do. We offer our knowledge and assistance to you to build a viable solution for the betterment and health of all concerned.

On behalf of the organized municipalities in northwestern Ontario, I want to thank you for taking the time to hear some of our concerns today. I look forward to a fruitful question-and-answer session.

The Vice-Chair (Mrs. Laura Albanese): Thank you, Mr. Power. I will now turn it over to Mr. Sousa for questions.

Mr. Charles Sousa: Thank you, Madam Chair. Your Worship, it's nice talking to you again. It's Charles Sousa. We met yesterday.

Mr. Michael Power: Yes, Charles. I remember you very vividly.

Mr. Charles Sousa: I do apologize on behalf of the committee for all of us not being able to have been there in Dryden, but I appreciate your understanding and your submission. Can you tell me a little bit about Green-

stone? We just had a submission from Karen Brown, representing the city of Kenora. Tell us a little bit about the representation for the northwest.

Mr. Michael Power: In northwestern Ontario, NOMA represents every municipality. But, Charles, if you look at a map of northern Ontario, especially the map in the Minister of Municipal Affairs and Housing's office, you will see Greenstone outlined; it looks like a large machine gun that is aimed at the east. We tend to bring our points forcefully and clearly from that municipality, but today I speak on behalf of every municipality. The needs that we have in Greenstone are similar to the needs of all, but Greenstone is a unique municipality that extends 120 miles east and west, 100 miles north and south, with four large urban areas and about 5,000 people. So you can understand some of the challenges in governance.

Mr. Charles Sousa: It is a huge challenge, and it's a big geography, and I appreciate the work you're doing. I gather from your submission that there are a number of topics of concern, one being energy and the issue of transmission and the other being infrastructure spending and the continuation of that ability. You talked about forestry—a number of deputants have also spoken about that—and emergency medical services. In regard to the energy and transmission, the key, from what I gather from your presentation, is the ability to create jobs and enable some form of stimulus for the north.

Talk about the transmission and some of the work that's been done thus far.

1440

Mr. Michael Power: I did. You know, we have a wonderful opportunity in northwestern Ontario and all of Ontario, and that's the Ring of Fire. I'm sure that all members of the committee have some knowledge of it. If you don't, I really encourage you to ask your staff to get the materials. This is probably a once-in-a-lifetime opportunity for a province such as Ontario to see large-scale development with massive investment by large corporations, resulting in thousands of jobs. I'm not saying this lightly, because you're looking at a 150-year mine that is located north of the municipality of Greenstone which will benefit everybody in the area, including the city, and provide services to that area.

One of the issues is energy. The energy requirements for an arc furnace are not there. The companies have made that plain to me. They'll be making it plain to you, I'm sure, in their submissions leading up to it because we have about a five- to seven-year window here before the mine actually comes on stream. They're very nervous about the cost of energy in Ontario, and they've made it very plain that it would be cheaper for them to rail the ore from the mine site down to the main line and then take it to Manitoba or Quebec to be refined.

I've been very bold and said, "If you think any government of Ontario will allow you to move the ore out of the province without some benefit coming to the people from where the ore is removed, you have another thought coming." It's an issue that the government is going to have to grapple with, Charles, and deal with, the idea of a differential energy rate: one for industry, that encourages industry, as is done in many other parts of the world, and one for residences. If you have a job, then you can afford to pay your bills and you can afford to pay a little more for hydro. That may not be politically palatable for a lot of us, but it is a fact, and it's something they've come to grips with in other parts of the world.

It's something that is going to be very much on your plate as legislators as the years come ahead and in the very near future, as companies try to make their decisions.

Mr. Charles Sousa: Mr. Power, we've run out of time. I know the Ring of Fire; it was a discussion that we had yesterday. It's also in your backup appendix. Again, I appreciate your time, and all the best to you.

Mr. Michael Power: Thank you, and I just indicate to you, Charles: Energy is also a big issue for the forest industry. But thank you for the time of the committee. I appreciate it.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your time.

NEW STARTS FOR WOMEN

The Vice-Chair (Mrs. Laura Albanese): Now we welcome Ms. Kathy Campbell from New Starts for Women via teleconference. Ms. Campbell?

Ms. Kathy Campbell: Yes.

The Vice-Chair (Mrs. Laura Albanese): We also want to thank you for agreeing to anticipate the time of your presentation this afternoon. Thank you very much for that. You are about to start your presentation; you will be allowed 10 minutes to do that. That will be followed by five minutes of questions from committee members. The questioning goes in five-minute segments, with each party going in rotation, and this round will go to the official opposition. If you could identify yourself, state your name for our records, and after that you may begin.

Ms. Kathy Campbell: Okay. My name is Kathy Campbell. I'm the executive director of New Starts for Women shelter up in Red Lake, Ontario. I was hoping that you would be in Dryden so you'd understand the distance, but I was 215 kilometres north of Dryden.

Our shelter is a member of the Ontario Association of Interval and Transition Houses, of which I am a northwestern region board member. I'm also a very active member of the social justice and action committee and the anti-racist and anti-oppression committee. I'm a former member of the domestic violence advisory council. I am also secretary of the Red Lake non-profit housing board. I sit on numerous committees in our community as a representative of the only women-centred organization and the voice, often, of women who are victims and survivors of violence. I'm also on numerous working provincial advisory committees representing the northern voice.

I truly believe it's every woman's and child's human right to have freedom from all forms of violence. There is

much that needs to be done to reach the goal of protecting this right for women and children in Ontario and especially in northern Ontario. I would like to specifically address the violence-against-women issues and how support is needed to eliminate violence against women.

I'm not going to dazzle you with a bunch of statistics because I'm not good at it and I'm sure you've been hearing that for the last month. Rather, I'm going to discuss a little bit of the personal aspect of poverty—the lack of housing, child care and training, medical addressing the needs of aboriginal and marginalized women—and how these are issues of violence against women that we must address in order to eliminate violence against women, period.

On December 6, 2009, we marked the 20th anniversary of the massacre of 14 young women at Montreal's École Polytechnique, a date that now marks the National Day of Remembrance and Action on Violence Against Women in Canada. Since then, 486 women and children have been murdered in Ontario alone as a direct result of violence by an intimate partner. Having said that, we marked this sad anniversary—the women's anti-violence community, specifically OAITH, asked all Ontario MPPs to make a personal commitment to work with women toward an end to violence against women. All three current parties made the commitment to include the voices of survivors of women abuse and the leadership of women's advocates in developing further action and direction in Ontario for ending violence against women. They also committed to creating an overall action plan to end violence against women in Ontario from a framework that includes action on the marginalization of women based on race, culture, economic status, age, ability, language, immigration status and regional location.

There has been progress on the shared goal of responding to women and children affected by violence. The current government has begun restoring the 1995 funding cuts from women's shelters and second-stage programs—for the commitment to developing a province-wide sexual violence action plan, the promise to move forward on a strategy framework to end violence against aboriginal women, and actions to promote survivor involvement in service coordination. Among other initiatives, the formation of an advisory council that provided the Transforming Our Communities document, a report to the minister responsible for women's issues, which identifies 45 recommendations intended to move forward the Ontario government's public policy direction to end violence against women—which I was a member of.

Poverty and housing issues need to be addressed immediately to keep women and children from dying at the hands of their abusers and to give hope to those women who have succeeded in escaping the abuse so that they and their children can have a life free of violence. Adhering to the recommendations of the Domestic Violence Death Review Committee, particularly the May/Iles and the Hadley inquests, must be committed to.

The national transition home survey from 2007-08 identified that there were 30,671 admissions of women and children into Ontario women's shelters in the fiscal year, representing almost one third of the women and children who stayed in shelters in Canada during the same time period. Many of these women and children, when leaving the shelter, faced the uncertainty of where they would go due to a lack of accessible, safe, affordable housing. Even though they did not want to return to the abusive partner, they often did not have a choice.

New Starts for Women women's shelter, during the same time period alone, provided shelter to 313 women and 196 children. New Starts for Women is a shelter for abused women and children in Red Lake and is also a secondary service centre for remote First Nations communities.

Red Lake, which is located 175 kilometres north of the TransCanada via a secondary highway, is 555 kilometres northwest of the largest service centre of Thunder Bay. There are no roads leading to the northern communities we provide service to, except for unpredictable winter ice roads that deliver supplies to these communities.

1450

The majority of communities at New Starts for Women services do not have adequate services to address the diverse needs of abused women and their children. This is illustrated in the demand that is placed upon us as a shelter to provide a full range of services for women. Poverty; lack of housing, child care and training; medical; and addressing the needs of aboriginal, marginalized women are issues of violence against women that New Starts for Women must address daily. Until these issues are addressed, women will continue to die.

The number of women accessing the shelter remains relatively constant. Since 1995, an average of 274 women and children have accessed the services of the shelter. The number is not accurate because women may access the service more than once during the year, and we're not entitled to account for that.

Over the time frame of April 1, 2005, to March 31, 2007, 471 women and 543 children have accessed the shelter. In the past two years, April 1, 2007, to March 31, 2009, New Starts for Women has provided service to 535 women and 469 children—quite an increase. Staff have also provided support to women who accessed the crisis line via 2,893 calls in this two-year period.

Many women do not access the shelter due to the uncertainty of obtaining safe, affordable housing in Red Lake. Access to housing, lack of subsidized housing, waiting time and inadequacy of shelter allowances are the most common barriers to women accessing safe, affordable housing.

Other barriers, especially in rural or northern communities such as Red Lake: Subsidized housing may not be located close to the services that these women may need to address the violence in their lives. Often they live

in poverty and are unable to afford public housing, which is in great demand due to the mining boom in this community.

Also, since Red Lake is a secondary service centre for remote First Nations communities, some women's safety is compromised by housing that is too close to municipal activity where partners may easily find them—the availability of housing where they can stay safe while deciding on choices that meet their needs of both shelter and safety. There are links between poverty, inequality and violence as a determinant of housing access for women and children leaving abusive situations. Women are in danger if they are unable to procure safe, affordable housing in a timely way. Women have died as a result. Women who are already facing poverty and unbearable levels of insecurity and stress should not have to settle for substandard and unsafe housing to escape from violence.

Unhealthy, unsafe housing also exposes women and children to the risk of child welfare involvement. This same threat is there for women who are forced to return to the abusive partner. Apprehension of children by child welfare, high costs of hydro, utilities and the cost of food, which are not adequately recognized by income security programs, exacerbated by the low wages women often earn, are the top reasons why women lose the housing they struggle so hard to get.

The Vice-Chair (Mrs. Laura Albanese): Ms. Campbell, you have about 15 seconds left in your presentation. Time has flowed by.

Ms. Kathy Campbell: Oh, my goodness. I've talked that long. Okay. Well, I think there are a few issues that I need to ensure that you're aware of. I'm hoping that monies are put aside to provide safe, affordable housing across Ontario but especially in the northern regions, where supportive transitional housing is probably the most appropriate for our area.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that. I will now turn it over Mr. Shurman for questioning.

Mr. Peter Shurman: Good afternoon, Ms. Campbell. I'm sorry we couldn't meet you personally up in Dryden, but maybe next time. Thank you for a great presentation. If there's anything you would like to add right now, I'd be happy to relinquish whatever time you need to do that.

Ms. Kathy Campbell: I think what I really want to address is the fact of the type of women we deal with in the north. Many of them come from very substandard housing, with limited skills. It's very important for them to have that opportunity, once they leave an abusive situation and come to shelter, to have kind of an intermediate time that they can learn some skills to allow them to live independently. Providing monies for that second-stage housing is an important avenue that the government must look at.

Mr. Peter Shurman: Okay. You did mention that you have an average of 274 accesses to the shelter but that there were repeats amongst that. I imagine that's because of the fact that even if the adjustment is made to making the break and living in the shelter, after the shelter the problems that you describe persist because of no place to go.

Ms. Kathy Campbell: That's absolutely correct. Many of the women who come through shelter have been here 13, 14, 15 times. Due to being unable to find secure housing, they return to their communities, ultimately to their abusive partners, and the cycle continues. Each time they come and go, they're sent back with a little bit more knowledge, and they don't wait so long. The assaults against them may not be as severe as they were.

Mr. Peter Shurman: The relationship between women's issues, children's issues and violence and so forth, no matter where it happens—north, south or not even in Canada—always comes down to a couple of things, as you've told us and as I know, particularly household incomes, lack of job, that kind of domestic condition. But I imagine, without sounding naive about it—I don't live in the north and I don't have that much exposure to the north—that it's aggravated by the conditions that you've described: the far-flung distances that have to be travelled to do almost anything.

Ms. Kathy Campbell: Those are big contributing factors. The fact that a woman's access to safety—we have to fly them in and out most of the time and there are not always flights available. So oftentimes when we do safety planning with children, their safety plan is hiding under the porch until they can get the plane. That's one of the issues; the fact that there aren't as many services available—the poverty, the isolation, the living conditions. Yes, the north is—the violence against women and safety are big issues everywhere, but when you are faced with the accessibility inequity part of it, that becomes a real additional challenge.

The Vice-Chair (Mrs. Laura Albanese): Now I pass it to Mr. Barrett, who has an additional question for you.

Mr. Toby Barrett: Hello, Kathy. Yes, we were hoping to be in Dryden. I thought a bit of a trip for this committee up to Red Lake might be in order next time.

For a number of years in the Red Lake area, there was a fairly significant presence as far as alcohol and addictions treatment and counselling. I used to work in the field; I'm a little out of touch. You didn't mention that area. What kind of facilities do you have there now with respect to the use of alcohol and other drugs?

Ms. Kathy Campbell: We probably have the same amount of facilities as we had when you may have been working up here, which is none.

Laughter.

Ms. Kathy Campbell: Did I sound a little—anyway, the issue of homelessness and addiction is great. Oftentimes the women we work with, even if they are successful in getting housing with the local housing authority, end up losing children for a variety of reasons and may end on the street, and addictions and poverty and homelessness take over for them. Once again, then we have another set of issues. Addiction is a big issue up here in the north, for sure.

Mr. Toby Barrett: So Kenora would be the closest detox, would it? It's a long way to drive if you've been drinking.

Ms. Kathy Campbell: That's the closest detox centre, which is basically three hours away from Red Lake. But oftentimes, by the time women get in a vehicle and we get them to detox, they're too sober for detox.

Mr. Toby Barrett: Okay. Thank you, Kathy.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your intervention at the committee this afternoon.

Ms. Kathy Campbell: All right. Thank you. Goodbye.

The Vice-Chair (Mrs. Laura Albanese): We'll have to take a short recess now.

The committee recessed from 1500 to 1515.

CITY OF DRYDEN

The Vice-Chair (Mrs. Laura Albanese): And now we want to welcome our next presenter, the mayor of the city of Dryden, Your Worship Anne Krassilowsky.

Ms. Anne Krassilowsky: You got it right.

The Vice-Chair (Mrs. Laura Albanese): Good afternoon.

Ms. Anne Krassilowsky: Good afternoon, and thank you.

The Vice-Chair (Mrs. Laura Albanese): Now, we wish we could be there in Dryden to see this unique city of Ontario's north, but unfortunately we never made it up there, so we'll have to speak via teleconference. But we want to express, on behalf of all of the committee, the fact that we really wanted to be there in person.

Your Worship, you will have 10 minutes for your presentation. That will be followed by five minutes of questioning. If you could please state your name for the record, and then you may begin.

Ms. Anne Krassilowsky: Mayor Anne Krassilowsky from the city of Dryden. I'm actually here in Toronto at an AMO executive meeting, but I appreciate Ms. Albanese and the members of the all-party committee taking the time and consideration for us to present. I know that some of you were able to land in the city of Dryden, and of course for all of us who travel by air there, Bearskin Airlines will always get you there, so we are sad that you were not able to see our community, to be able to hear firsthand the unique challenges and opportunities that we do have in the north. Our door is always open. You're always welcome back.

Certainly, the opportunity to present today is valuable to us. I know there's a short time and I know we're going to emphasize the five priority issues for us in the north. Can I ask if you have a copy of the presentation?

The Vice-Chair (Mrs. Laura Albanese): Yes, we do. All the committee members have one.

Ms. Anne Krassilowsky: Thank you so much.

Our issues are in no particular order, as you have recognized, but we hope there will be recognition that adequate financial support will be given to northern municipalities. I know that Dryden is facing some very unique challenges, as I know a lot of the other communities are.

We have been, of course, particularly hard-hit by the transition in the forestry sector. Our economic diversification in the north is slower. We know and hope that the northern growth plan is going to understand and help to equalize a competitive nature for northwestern Ontario, and certainly for Dryden. You know that over many years, six years probably, we have lost 1,000 direct jobs and most probably an unparalleled number of indirect jobs, people and services. For our community, this has been a devastating experience, something we have not experienced in the past.

I think one of the specific issues of concern is the OMPF funding and the mitigation funding. It is of the utmost importance, not only to our community but across the north. The impact has been so negative in the last economy, I can't tell you how important that mitigation funding is. I know that it was reduced for this year on the whole, so I'm certainly hoping that this government and the committee will recognize the importance of OMPF funding and mitigation funding.

We will join the other communities, as well as our municipalities, in seeing a huge increase in our debt load as we move forward with the infrastructure stimulus funding and also with economic development across Dryden. The OMPF needs to be funded adequately and retain its enhanced support for northern and rural municipalities. Again, as we face, develop and react to the northern economic challenges, we also want to respond in a positive manner. We're hoping that we've emphasized that enough.

We also need to have that funding in place for the northern growth plan, and I'm hoping that will be recognized in the 2010 budget. That will help us to create jobs in northwestern Ontario. It will also recognize the potential of northwestern Ontario by the investment of government in establishing an equal opportunity for competitive attraction for northwestern Ontario.

We know that transportation, health and all of the issues that we face are a huge challenge in attracting new investment, and we certainly hope that that will be recognized in the northern growth plan.

We find ourselves in Dryden in the unique position of asking for a special assistance grant. It's not something that we're proud of, but we have worked hard in driving for a better economic circumstance for our community. We have in place the potential to grow an economic development reaction for Dryden that will return a revenue to our economy and to the city that will help our budget. So, we have passed a resolution to apply for a special assistance grant, as we're unable to balance our budget at this point in time. We are looking at probably a 19% to 20% increase. We look back at the average of the tax increases over the last four to five years; it's 26%, which averages out to a 4.4% increase across the board. How we're going to pass along a 19% to 20% increase is not even feasible. We are going to have to slash and burn

at every corner, and that's going to have an even more negative impact as we look to become more viable in the face of what we have structured to do.

SAG is intended, I think, to help struggling communities, and it's going to be of particular value to single-industry, resource-based communities who have lost their industry. While our mill is still producing pulp, it has certainly downsized and it has been absolutely successful in lowering its assessment by 40%. We have challenged this. We have taken all the intervention we can, but they're going to be successful. That translates into an approximately $1.5-million shortfall for 2010, and it will continue through 2011 to 2013.

1520

We're up to the challenge, as I said. We have taken economic development absolutely positively. We have built the Dryden Development Corp. We have been successful in initiating projects that we can and will proceed with. It will mean that we will go into further debt, as far as the city goes. We're well within our debt budget, but we will be definitely increasing that, and I think you will see that across many municipalities.

It is going to be a challenge, as we've said, and we are hoping that our application to SAG is going to be successful. Without SAG, of course, I've already mentioned what will happen. We have to have it. I'm hoping that we will find support with that around the table. You know that other communities are going to be faced with the same thing. I know it's a big ask, but I think it's important to keep our communities alive and able to proceed with all that we have planned.

In child care, we know that we talked about Best Start when it was first initiated. We knew that there was no further funding structure. We debated whether we would or would not support Best Start. We decided that, yes, we would, but council did say that we would not support it once the funding ran out.

We know that our children need all the help they can get. At present, we operate five licensed programs, four out of schools, and we serve about 650 children. We've certainly provided an example of good operation in the fact that we have been recognized for best practices. Our child care delivery is in transition and we absolutely collaborate between operators in the schools. That has taken place, it continues to be there and we're even striving for a better function.

Ontario's Best Start strategy has been a success, as we've said, because it is a seamless system of care. We know that KDSB is administering the program with the city. We know that the system is supported with well-trained staff and the stability of funding through the KDSB, but those are municipal and government dollars. We don't want to see it disappear. We're hoping for some assistance there. I don't think the province wants to see it disappear. I know that they're in support of child care. We're hoping that the provincial budget will ensure and maintain existing levels of funding.

I think the rest is pretty easily read and, in view of time, I'll move on.

As you know, we got an extra bill last year. We know that we are going to have to find even more funding in our budget for the KDSB. There are a number of issues there, but we will have to go into them with the ministers at OGRA/ROMA.

The connecting link funding—I can move to there. You know how the connecting link funding works. The city of Dryden has not seen connecting link funding for some time. In Dryden, Duke Street, which is one of our main corridors, connects Highway 17 and Highway 594 and remains a connecting link, as does Highway 17, through the city. Our last connecting link allocation was in 2007 and that was a project overrun from 2006. In 2006, the bridge conditions survey recommended a $2-million-plus rehabilitation to the Duke Street bridge, which crosses over the CPR rail lines.

We have not been able to access connecting link funding, as I have mentioned. I think that's a priority for us not only in Dryden but across northwest Ontario.

The Vice-Chair (Mrs. Laura Albanese): You may want to move to your conclusion, as the time has almost expired.

Ms. Anne Krassilowsky: Okay. So we're hoping to find support there.

NOHFC funding, I know, with FedNor, means a great deal to northern municipalities and especially to Dryden. We have accessed funding over the years and we certainly want to see it move to $90 million in 2011, as was in the plan.

I guess I can hope, again, that if you're ever in Dryden, you will come back and see us. We hope that we are going to see the northern growth plan assist northwestern Ontario as we move forward. I thank you for your time.

The Vice-Chair (Mrs. Laura Albanese): Thank you. I will now turn it over to Mr. Prue for questions.

Mr. Michael Prue: Hello, it's Michael Prue. I'm the member from Beaches–East York in Toronto.

I had an opportunity to listen to you and see some of the things you've written here. Can you tell me what the unemployment rate is like in Dryden?

Ms. Anne Krassilowsky: It's actually high. But what happens is that because of the quality of life we have—and I mean that seriously—a lot of our families have members commuting to Saskatchewan and Alberta for jobs, but they maintain their homes in Dryden. We are seeing that kind of erode as we move into the sixth year.

Mr. Michael Prue: I was in Dryden last winter, and I did talk to some people who actually had their family members commuting. I remember that.

In terms of job losses, how many jobs have been lost in the community in the last five or six years?

Ms. Anne Krassilowsky: We saw a job loss of 1,000 direct from the mill, and that included the logging operation. Of course, most of the logging operations, most of the private contractor investment in equipment, has been negated. There's just nothing there. So now you take the indirect loss of people and service—it has a cumulative effect, and it's been devastating for our community.

Mr. Michael Prue: I can imagine. Has there been any loss in the population of Dryden?

Ms. Anne Krassilowsky: Yes. I think we've seen the population go down. We don't have the exact figures. Even MPAC—if you're not home, you'd be counted differently, so I can't honestly tell you what the reduction is in actual numbers. Our community is really soundly supported by our volunteers, and we're even seeing that being decimated as we move forward. They're just leaving. Their families are going. It's a loss of professional jobs. It's an unbelievable equation for our community.

Mr. Michael Prue: I did read in your report the whole thing about child care funding and the terrific job you do, notwithstanding all the other difficulties, in looking after children. The money is about to run out. Will the all-day kindergarten program that's been announced by the government have any effect on this?

Ms. Anne Krassilowsky: Take the child resource centre: I think we're going to see that even younger children will be there—and that's infants—versus what was taken on as a responsibility to education. We've always been crowded, if you will. We've tried to provide the service to as many children as possible. We're going to see where we have as much child care support as we can have, so that those people who do have a job can actually keep those jobs.

Mr. Michael Prue: You are anticipating, then, that the all-day kindergarten will take the four- and five-year-olds out and then you'll have, I guess, babies to toddlers going there. They tend to require a lot more supervision and work.

Ms. Anne Krassilowsky: The infant and toddler program, of course, is going to be established even more so than it is. But it is also going to require more funding because the relationship between toddler and caregiver is much narrower. They have to be there with the kids. Babies and toddlers need much more supervision and care.

Mr. Michael Prue: You write in your report that, "For 2009, we have received only $6,500 as a stabilization payment as that is all they have left." Is anybody else funding the program other than the Ontario government?

Ms. Anne Krassilowsky: Not to my knowledge. Municipal and KDSB—I mean, we all contribute, right?

The Vice-Chair (Mrs. Laura Albanese): One minute left for questions.

Mr. Michael Prue: I think those would be my questions. Thank you very much.

Ms. Anne Krassilowsky: Thank you for your attention. Thank you for visiting our community.

The Vice-Chair (Mrs. Laura Albanese): Thank you again.

COMMON VOICE NORTHWEST

The Vice-Chair (Mrs. Laura Albanese): We now welcome our last presenter of the day: Mr. George Macey, chair of Common Voice Northwest. Good afternoon.

1530

Mr. George Macey: Thank you, Madam Chairperson. Thank you for this opportunity, and thank you for waiting for me. I had some troubles.

The Vice-Chair (Mrs. Laura Albanese): No problem. Mr. Macey, you will have 10 minutes for your presentation.

Mr. George Macey: Okay, fine. Just give me a little warning near the end.

First, let me briefly describe who Common Voice Northwest is. Our role is to identify, promote and development economic opportunities in and for northwestern Ontario. We also enter into dialogue with all residents and interest groups in the region to determine those projects that should be undertaken as a priority. We are made up of the leadership of the region: municipal, business, labour, post-secondary education, school boards, training boards and the multicultural and immigration community.

We wish to raise a number of issues with you this afternoon. Many of these will be reflected in our response to the Grow North plan, which we will be shortly submitting to the two co-chairs.

Northern Ontario is a vast storehouse of forest, mineral wealth and knowledge, and with the economies of China, India and Brazil eventually driving resource prices up, once again northern Ontario will be an economic engine for Ontario. In the next decades, northwestern Ontario will drive part of the economy of the province, generating the revenue to support provincial programs and creating employment in our region.

At the same time, northwestern Ontario's traditional economic pillars of transportation, natural resources and government are in the process of evolving into a new economic base that can most succinctly be described as value-added knowledge creation and services. The Ontario government must support and facilitate northwestern Ontario's transition to a value-added knowledge culture that generates high-end products and services based on the traditional resource sector and transportation activities, as well as in new areas of health research, education and the bioeconomy. This knowledge economy spans across all economic sectors, as the application of innovation technology is as pertinent to traditional sectors such as retail, service, forestry, manufacturing and mining as it is to new emerging streams such as biotechnology, communications and waste management.

The Grow North plan must be the framework that ensures that the people of the north are the prime beneficiaries of the resources that they tend on a daily basis. The plan must also ensure that key decisions respecting the viability of the north are made by people who live here and rely on those resources for their sustainability. All future changes to the Grow North plan must be generated by the people who live and work in the north and, in turn, must be selected by the people of the north.

The process can be started in the 2010 provincial budget. That budget must focus on long-term sustainable

jobs for northwestern Ontario. It must include strategies that will enable our existing but currently idle mills and paper machines to restart. At the same time, it must support the development of the bioeconomy, not just programs like the FIT energy option, but in terms of consideration of investment instruments like flow-through shares to attract investment in this growing industry.

We want to point out to the members of the committee that unless there is a strong and viable primary forest industry in place, the chances of developing a functioning bioeconomy are greatly limited. Part of the long-term solution to the forest industry crisis is to implement an industrial electricity price so that the pulp and paper industry in particular—but also as important, the mining and mineral processing sector—can plan for the long term.

Northwestern Ontario is poised to experience the biggest mining boom in Ontario since the mines in Sudbury and Timmins were first opened. While much of the national media is reporting on the spectacular Ring of Fire area, almost every community in the northwest is experiencing significant staking and drilling activity. Atikokan, Kenora, Dryden and Greenstone are but four of the communities that have major properties under active consideration. Every day in the regional newspaper there are reports of yet another find or further drilling with very positive results.

We would also encourage the government to provide the funding to create a new northwestern Ontario school of mining as a joint effort of Lakehead University and Confederation College. It shall include key linkages to area First Nations and their political organizations. As we have heard recently, First Nations in the vicinity of the Ring of Fire want their people to be employed by the mining companies. For this to mean anything more than low-level labour jobs, they need the kind of technical training required by the mining companies.

As you know, the price of metals drives explorations, but what you may not appreciate is that government policy can have a significant influence on the willingness of the investment community to back a particular mining venture. The industry requires long-term public policy stability. They don't need a new tax or set of rules that are implemented halfway through the development of a project.

We would encourage the government to ensure that any action does not undermine the future of the region by introducing new measures at an inopportune time. This includes the Far North Act. At our presentation to the Standing Committee on General Government studying the mining act and the Far North Act, we stated the following:

"We find it shocking that at a time when all of us have been extensively engaged in the Grow North exercise, your government has chosen to introduce legislation that will control the future of a massive part of northern Ontario.... What happened to your commitment through Grow North to make this legislation that will govern our future for decades to come?

"Members, we have one message to you today: Suspend the review of the Far North Act and wait until the conclusion of the Grow North process to see what direction the people of northern Ontario want" to take.

We have not changed that position. We ask that you take this message back to the Premier.

On a final note regarding the resources of the northwest and returning to a historical role as an economic engine, there are a multitude of interested parties involved in the Ring of Fire zone north of Longlac. We are told there are two separate studies into a road-rail transmission link from Longlac to the development area. Some First Nations have been engaged by the proponents, while others appear to have been ignored. There is a need for the Ontario government to appoint a facilitator to work with the mining competitors, the area First Nations and the political organization and adjacent municipalities to ensure there is coordination and cooperation in the development of a common utility corridor required to connect the development with the services they need. We would strongly recommend that the facilitator be a northerner and be appointed immediately. This facilitator could be the precursor to the northern development commissioner for the northwest, as was recommended by the northwestern Ontario economic facilitator, Dr. Bob Rosehart, in his report Northwestern Ontario: Preparing for Change.

Directly linked to our ability to transform our natural resources into usable products is the availability of energy, particularly electricity, where development and processing is to occur. A few years ago when the Ontario Power Authority issued its long-term plan for the electricity system in Ontario, there was barely a passing mention of northwestern Ontario. When the region realized that once again it was being ignored, we acted. NOMA, through its energy task force, which is now driven by Common Voice Northwest, along with Atikokan and Thunder Bay—we intervened with the Ontario Energy Board, not only to draw attention to the shortcomings of the plan but to offer solutions as well.

The Vice-Chair (Mrs. Laura Albanese): Mr. Macey, I just want to forewarn you that you have about a minute left.

Mr. George Macey: Okay, good. Common Voice Northwest is supportive of the construction of a new 230 kV line from just east of Nipigon to Pickle Lake. This line will not only connect the proposed Little Jackfish hydroelectric generation facility, but will enable access to significant amounts of wind generation potential along the shores, crucial to the mining community. This line will provide the upgrade necessary for the mines north of Pickle Lake and will assist in stabilizing the service. However, it must be noted that our support is conditional on the Ontario government and all the regulatory agencies making sure the Little Jackfish hydroelectric development receives final approval.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much, Mr. Macey.

Mr. George Macey: Thank you. Goodbye.

The Vice-Chair (Mrs. Laura Albanese): That concludes our presentation and also our day here in North Bay. We are adjourned.

The committee adjourned at 1540.

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COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Friday 29 January 2010

Vendredi 29 janvier 2010

The committee met at 0902 in the Four Points by Sheraton, Kingston.

The Vice-Chair (Mrs. Laura Albanese): Good morning. The Standing Committee on Finance and Economic Affairs will now come to order. We are pleased to be in Kingston for today's hearings.

PRE-BUDGET CONSULTATIONS

TOWNSHIP OF LANARK HIGHLANDS

The Vice-Chair (Mrs. Laura Albanese): We'll begin with our first presentation of the pre-budget consultations, 2010. I would ask our first presenters to come forward. Good morning.

Mr. Bob Fletcher: Good morning.

The Vice-Chair (Mrs. Laura Albanese): I would like to remind, for the benefit of everyone present, that each presentation is a total of 15 minutes in length. You will have 10 minutes for your presentation and that will be followed by up to five minutes of questioning from committee members. The questioning goes in five-minute segments, with each party in rotation, so the first one will go to the official opposition. Please state your name for the purposes of our recording Hansard and after that you may start.

Mr. Bob Fletcher: Good morning. My name is Mayor Bob Fletcher, township of Lanark Highlands, and accompanying me today is Tom Derreck, our CAO. Unfortunately our deputy mayor lives about two hours north and the cold weather, I think, has got him.

We're here today; we have four issues that we'd like to glance over and leave you with a lot of documentation that we've brought. We'll start on page 1, which is about three pages in.

We are really concerned with the assumption that we're making and a lot of our colleagues are making that the OMPF may disappear. We look at the effect of that on our entire residential tax base, because we're mostly residential, and as everything trickles down, no matter how small the percentage of decrease of funding coming to the municipalities or to the upper levels, it trickles down to a residential tax base that is getting extremely overburdened with taxes.

We also would like to look at the inequitable competitive approach to municipal funding programs and the disparate approach to compensating those few rural municipalities that have a tremendous amount of their land tied up in hydro corridors and crown land with no compensation.

Number four is, we did an awful lot of work in our small township at an OMB hearing. We actually won the OMB hearing, and then Bill 114 came in backdated, which cost us about $200,000 just in expenses that we weren't able to get back.

We really, really appreciate being here and you taking the time to hear us.

We are a very small community population-wise—5,000 full-time residents and 5,000 visitors who come in the summertime to their bigger houses—but we are 1,033 square kilometres, so we're extremely large in space, and 20% of that is eaten up in crown land and hydro corridors that we receive very, very little for, but we still service the area.

We're the second lowest—almost wholly residential—community in Lanark county. We have a very small tax base, and 98.2% of the levy is totally residential. So we have very little industrial or commercial base, and it's very difficult to build it in an area with lots of trees and back roads.

We do have one big company that does an awful lot of work in our area in a big quarry. The unfortunate thing is that all the product goes to our neighbour. We receive about $68,000 a year from the quarry, and they get about $700,000 in taxes. So we bear the brunt and get very little.

We're looking at different issues. I'd like to go to page 4 and the OMPF. As our assessment goes up, we see the formula where the OMPF grant is going down. If we reach the $213,000 mark for average residential assessment across the board—we're at $158,000 now—that would drop about $1 million on to the residential tax base in our township. But I don't believe that we're going to get $1 million in taxation off the assessment, especially given that every time you build a nice, big house—and that's what the city people want; they want big tracts of land—you also need a road to get to it, so the infrastructure costs go up for very little taxation. The people don't realize—just because assessment is going up, they believe their taxes should go down—on the other side, we're also lowering the grants, so the grants have to be offset by taxes.

In the last two years we've lost about $129,000 from the OMPF, and it's an extremely large increase for us, 3.7% each year, to make that up. When we go looking for

grants—and we really appreciate the grant programs that you put out; we've been successful on some. But for small towns and townships without engineers, when we see the Building Canada Fund come out and say, "You must be ready to go. You have to have a shovel in the ground"—we don't have those projects sitting on the shelf. Ottawa does, but, again, Ottawa doesn't seem to do anything with all that money. We've got our projects ready now. It has taken an awful lot of expense, but we think maybe it took too long to get there and we might miss out. So we're still looking for a more competitive approach to grants and how the grants work. We work very hard. We know that if we don't compete, we're not heard. We have to stay in the game, and we plan to do that.

Going to the crown lands and hydro corridors, if you see that 20% of your township is non-taxable—the way I look at it, if 20% of Toronto's land was non-taxable, they'd be yelling and screaming. It's that hard for the rural areas, also. We receive about $1.86 an acre on those lands, and it's very hard to service roads that run for miles through that country. There are a lot of people from all over Ontario who want to come and see trees, especially those from the southwest where there aren't any—we have them, and I'm sure you want us to keep them, and we would like to keep them, but to me, it's like any other infrastructure: If they are there, we should be compensated for them.

Many years ago, we started to look at the unfairness of having the big quarry. It was marketing and paying other people a lot of money and we weren't getting much, so we actually went to the OMB, and it cost us about $200,000 to do that. We actually won. We were very ecstatic until the government passed Bill 114 and backdated it to before our OMB decision started. I understand that; that's the way it works. But we were still out $200,000, which is a large whack of money when you talk about a small township.

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We think we made a good point when we went through the OMB process. We spent a lot of time and we thought we should at least get compensated for our expenses that we put forward to win the case. That's kind of a sore point. It's hard to understand how that could happen. I think if we were in civil court we'd at least get our expenses back, and it would make a big difference in budgets. We've had to put a lot of money into that.

One of the things I remember, and I've been at this game since 1993, is that when they started to change the way we assessed taxes, we were told that to keep farmlands and to keep managed forests going, we would only tax at 25%, but the 75% was going to come to us in a grant to offset that loss of revenue so that we could feed the cities and have the trees. That's one of our concerns with the OMPF. It used to be block funding—you can keep going back to the different names—and I'm just wondering where that 75% is coming back to us. If you take a look at page 10, you'll see the figures there. We have approximately 500-odd properties that are taxed at about 25 cents on the dollar. Those people are hard-working, but the other people in their residence and their residential properties don't understand that that's a burden we carry to be rural. We're proud to carry that burden, but I think somehow or other we should have compensation.

That's our presentation. We've left you some documentation. We've also left you a calendar so you can see how beautiful we are where we are. Again, we appreciate your time.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation, and thank you for the beautiful calendar.

Mr. Bob Fletcher: We gave you 20, and I'm sure they have them. Don't let the staff take them all.

The Vice-Chair (Mrs. Laura Albanese): And now we'll turn it to Mr. Barrett.

Mr. Toby Barrett: Thank you for the presentation this morning. I hear what you're saying on the amalgamation of four small, underdeveloped, financially challenged rural municipalities into a very large, underdeveloped—on and on and on. We've gone through that as well in the rural south. Was that a cause of part of the financial difficulties as well? And I guess my other question is, did that amalgamation not go far enough? Do some feel you're better off just with, say, a single-tier Lanark county rather than the separate, widely dispersed, low-population areas?

Mr. Bob Fletcher: I really think that the Harris government started something and didn't finish it. Some people amalgamated; some people didn't. We know that when we amalgamated, there were 21 councillors, mayors, reeves. We're down to seven. We had the four offices. As a matter of fact, one of our northern communities actually worked out of the trunk of a car. So we centralized ourselves in the village of Lanark, which was destroyed by fire in 1959 and has never recovered. You've probably read all the paperwork on our water and sewer problem. That's our commercial base if we could ever get going, but without water or sewer we'll never get there.

So I think we've done an awful lot. We got rid of 10 graders. We could actually do the roadside with five. So we saved money by amalgamation, but we still end up to be one big poor one. With some of the ones that are very close to Ottawa, there are lots of subdivisions going in right now and stuff like that. I think it will finally get to us—maybe not in my time, but it will get to us. We also, in order to do that, are going to have to continually deforest or take away farmland to have development.

Mr. Toby Barrett: Okay, and one of my colleagues has a question.

Mr. Peter Shurman: Good morning, Mayor Fletcher, and thanks for being here.

Yesterday we were in the north, and again, you listen to people who are in the same position you are: small towns talking about the disparities of the north and the penalization of being particularly remote or small. It's a recurring theme.

If I take a look at the four points that you opened up with, they are all interrelated, because what you're saying, in effect—and I'd like you to clarify for me—is that it's probably time to revamp how we deal with municipalities on a sustainable, long-term basis, taking into account that there are many different tiers of size. Would that be a correct characterization?

Mr. Bob Fletcher: Absolutely correct, and we're here to help. That's what we're here to do. We're pointing out the disparities only because we don't seem to be able to corral them and keep them where they should be.

When we downloaded ambulance services, what we really downloaded was a whole bunch of unions, and now they hit us one at a time as they go around the province, whereas when they were dealing only with the province, they only dealt once. Now they are dealing with each one of us, so eventually we're going to get to the highest mark. The residential tax base in the rural areas can't take that, but we still have to have the service.

Mr. Peter Shurman: Norm?

Mr. Norm Miller: Thank you for your presentation. You mentioned the OMPF funding and how you are being penalized: As your assessment increases, you're losing OMPF funding. You also mentioned that you'd like to see a more competitive approach to funding from upper levels of government. Have you got suggestions for that? I gather that what you're looking for is predictable, sustainable funding for infrastructure and operating costs.

Mr. Bob Fletcher: Yes, something that we could look forward to—it would always be nice if you weren't waiting for that last day to find out what the grant was going to be. We get the gas tax, but there's a little hook to that, too. It says that we also have to put our money into it, so in order to keep the gas tax going—

Mr. Norm Miller: Is that the federal or provincial—

Mr. Bob Fletcher: That's the federal one. But that's a bad way of doing it. I think it's a great tax to come to us—it's terrific—but if you don't have the money to continue to use the gas tax, then you can't really use it.

Mr. Norm Miller: Provincially, do you get any of the gas tax, because it also goes to transit. Do you get any of that?

Mr. Bob Fletcher: Now you got me on a question I can't answer, so I'll just admit that. I don't know the answer.

Mr. Norm Miller: Do you have any public transit?

Mr. Bob Fletcher: We have no public transit.

Mr. Norm Miller: Then the answer is no.

Mr. Bob Fletcher: Then the answer is no. That's pretty good, eh?

Mr. Tom Derreck: Excuse me. If I can just add to the mayor's point, we noted in our presentation the pre-Bob Rae days, when the provincial government was giving a very reliable series of conditional and non-conditional grants. The non-conditional were based on population; you got a certain amount of money per population. The conditional grants were really a partnering of the Ontario government and municipal purposes, and they worked very well. Then Mr. Rae came in and it was all wiped away.

The point on competitiveness is that for small municipalities like ours that are very resource-strapped and low-staffed, with the competitive approach to funding programs these days, we simply cannot compete. We have to spend money, which is a risk, to—

Mr. Norm Miller: Hiring the engineer, and then you might not—

Mr. Bob Fletcher: That's exactly the point.

The Vice-Chair (Mrs. Laura Albanese): Sorry; the time has expired.

Mr. Norm Miller: Thank you for your presentation.

Mr. Bob Fletcher: Thank you very much, and I hope you have a good day in eastern Ontario.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before our committee.

ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY

The Vice-Chair (Mrs. Laura Albanese): Now I'll call the Queen's University Alma Mater Society to come forward. Good morning. You have 10 minutes for your presentation. There could be up to five minutes of questioning after that. Please identify yourselves for the purposes of our recording Hansard, and you may begin.

Mr. Adam Zabrodski: I'm Adam Zabrodski.

Ms. Susannah Gouinlock: And I'm Susannah Gouinlock.

Mr. Adam Zabrodski: We're here from the Queen's University Alma Mater Society. That's the equivalent of the student union there. There are a few items of note that we'd like to speak to you about today.

First off, we recognize the contribution of the past Liberal government with the Reaching Higher plan: $6.2 billion that was invested towards the expansion and the quality of post-secondary education. Unfortunately, what has happened is that because enrolment grew so much, we didn't quite see the increase in quality that we would have liked to see. This is especially important at Queen's, where we don't quite have the ability to expand. We're in Kingston, and as much as we love being on the lake, it doesn't really lend itself to more land development, newer buildings and infrastructure. Part of that is where we see the inability to attract students from traditionally underrepresented groups. It's just more expensive to live here. Many students don't want to leave home. So stemming from Reaching Higher, we see more students coming into the program of post-secondary education, but at Queen's we haven't quite seen enough.

Building on this, what we're looking for now is an increase in quality, specifically through teaching quality, because what the research shows is that the majority of first-year students of all academic priorities list teaching quality as number one. This ensures that students are able to come through the system and that they are going to succeed. We recognize that, as students, we benefit a lot from post-secondary education, but as well, the

government and society as a whole see benefits such as a higher taxation base in the future once we graduate and start making an income.

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So what we'd like to emphasize today is the importance of helping students get through. We've seen the expansion in the program, more students coming through, but how can we help them succeed and actually graduate?

Ms. Susannah Gouinlock: One of the areas that we do like to see, and I'll draw your attention to recommendation number three to start, is to enhance persistence through early warning programs. Like Adam mentioned before, oftentimes students come in in first year and they'll either do extremely well—and those are usually students who have done well in the past—or what will happen is they'll think that they won't be able to succeed and then will not look for those services that would normally help them. Unfortunately, this is usually more in traditionally underrepresented groups.

So we believe that programs should be piloted by different universities—and these are programs we're looking at that are more proactive than reactive. The services that are available, like I mentioned before and like you can all imagine, are already utilized by those students who are already being successful and who wish to succeed—not that all students do not. Through these early warning programs, things such as tracking attendance in a proactive way, we hope that these students will be able to be reached out towards and understand that they too can succeed in an environment that's conducive to their learning.

Mr. Adam Zabrodski: Recommendation number one is to fund five pilot projects for teaching Ph.D. students how to teach. We understand that through collective bargaining agreements it would be impossible to mandate professors who are on tenure track to take any course in teaching—they have their freedom—whereas some Ph.D. students will likely become professors and end up teaching lectures in the classroom. So we're trying to be proactive and mandate this as part of their education. This will benefit them in the long term.

Ms. Susannah Gouinlock: And we do understand that not all Ph.D. students become professors. What we do recognize, as I'm sure all of you know, is that teaching, the ability to teach, is a very transferable skill.

Also, the impact that it does have on students is extreme. At Queen's, for example, our TAs are only required to take one session of about three hours, and it's not renewable. As a student government, we offer a TA day at the beginning of each year, and approximately 40 to 60 TAs show up. In some departments it is required that they do attend TA training, but this isn't monitored.

Mr. Adam Zabrodski: More importantly, this is probably the cheapest way to improve education. The research proves that students who go into classes with teachers of proven quality do better. They require less support outside of the classroom and they succeed at a much greater rate.

Ms. Susannah Gouinlock: Our number two recommendation is for "teaching chairs." What we would like to see is for research to be taken just as seriously as teaching. Obviously, we've said this time and time again: how important teaching is to students at university. We find it interesting, just going back to the other point, that teachers in high school are required to have formal training, but at the university level they are not. So we would like to provide incentives for professors to really improve their teaching and to be recognized for the good work that they do.

Mr. Adam Zabrodski: What we've seen in the past is that there's just been no emphasis from the government or the university on teaching quality, and because of this, we as students are really beginning to suffer. We can recount many stories where professors just don't care; they are more interested in their research. The same thing with teaching assistants. The effect of this in the long term is that graduates aren't going to be as qualified to enter the workforce; they're going to need a little bit more training once they do start working. We think that this approach of being a little more proactive within the system will do a lot to ease stress on the labour force, industry, and the government as well.

Ms. Susannah Gouinlock: I just also would add that in the case of how student supports are funded at universities, oftentimes—at least this is the case at Queen's—the funding has stopped for our student affairs budgets while our contribution has increased year after year. Especially in the financial situation at Queen's, where our principal has told us we are to do less with less, it's very important that these student services aren't the ones to take the hit. That's something that we really want to reinforce, because it's obviously difficult to take away from the operations money and the money that goes towards our faculty.

Mr. Adam Zabrodski: So to conclude, we certainly understand the predicament that the government is in. There's not a lot of money to go around, and we've been very grateful for the past Reaching Higher plan. This is just our way of ensuring that all of the hard work and the generous transfer from Reaching Higher succeeds in the future, and we have students going through who are successful.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I will turn it over to Mr. Prue for questions.

Mr. Michael Prue: This is the first time I've ever had a student presentation that hasn't talked about high tuition fees, so I'm quite shocked. My understanding—and I had dinner with some people who went to Queen's and who live in the city—is that Queen's is actually an expanding university. They've just built a whole bunch of new buildings and they're having difficulty paying for them. But you started off by saying you're landlocked, that there are no buildings and no one wants to come here. I was here last year in a brand new building.

Mr. Adam Zabrodski: In order to compete with any other university, we obviously need to construct some

capital projects. You're probably referring to the Queen's Centre. It's the new student life building. We hadn't updated our facilities in the last 50 years. As a result, no students wanted to come because the facilities were incredibly lacking. As the Queen's Centre was built, we had to rip out student housing. There's a bit of a buffer on how big you can expand because of the lake. Eventually, you're going to run out of housing for students, and then you get into the city proper. So without going to a satellite campus, we don't have the ability to expand as greatly as many other universities. If you look at Waterloo, they have a much greater potential. It's the same thing with most of the other schools in Ontario.

Mr. Michael Prue: You also said Queen's was expensive. I have a brother who lives here in Kingston. I'll be having lunch with him today. This is a much cheaper town than most in southern Ontario in order to live or to commute around, compared with Toronto, if you go to York University, or Guelph. I've been told that this is a much cheaper place for students.

Mr. Adam Zabrodski: It's cheaper provided that you leave home. Tuition at Queen's is on the higher end of schools in Ontario. But, more importantly, you'll see that students who go to York or U of T typically live with their parents, whereas because about 94% to 96% of Queen's students have moved away greater than 50 kilometres, they have to pay rent. So $450 a month plus paying for your own food instead of getting to live under your parents' roof and eat their food adds up to probably about $8,000 extra.

Mr. Michael Prue: So it's not the fact that the university is expensive, it's the fact that they're not living at home.

Mr. Adam Zabrodski: Yes.

Mr. Michael Prue: Okay. In Maclean's magazine, constantly every year I read all the lists of Ontario universities and Canadian universities and where the best places to go are. Queen's is always near the top. I think that alone would cause people to come here or want to come here; would it not?

Mr. Adam Zabrodski: It does, but if you head back to our opening as far as underrepresented groups, we tend to lack socio-economic diversity. It's at the top, but it's more expensive, so you see the same types of students. What we're really looking to do is expand so we can include students from other groups, whether they be rural or international students, and make it a little more accessible for them to come here and enrich the education.

Ms. Susannah Gouinlock: Also, if those students do come here, to make sure that they are able to succeed and persist through their education.

Mr. Michael Prue: I heard those. I've just got some other questions while I've got you here. You also said something which was kind of shocking to me—that the AMS money has gone down because the money is not flowing through from the administration. Did I understand that right? I used to be the graduate student union president at Carleton. The money came, although it was never enough, but they never tried to slow it down or stop it.

Mr. Adam Zabrodski: That's not us specifically; that's the university. Because they have been able to meet expansion targets and enrolment growth, they're seeing less money come through the provincial government to the school than if they were able to expand at a greater rate. Most of the funding recently has been targeted towards growth and not quality, just because of the incredible expansion in the system, so Queen's has been left behind, because they haven't been able to meet those targets.

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Ms. Susannah Gouinlock: I think you're also referring to the student affairs project?

Mr. Michael Prue: Yes.

Ms. Susannah Gouinlock: Okay. What's happened now at Queen's is that the student affairs contribution to our student services, at the beginning, was matched by students; the contribution from the student affairs office has been frozen, but our contribution as students has increased.

Mr. Michael Prue: And you're not getting the—

Ms. Susannah Gouinlock: We are still, but their contribution has stayed the same while ours has increased.

Mr. Michael Prue: So they're no longer matching it?

Ms. Susannah Gouinlock: No.

Mr. Michael Prue: That's causing some financial difficulty for the AMS?

The Vice-Chair (Mrs. Laura Albanese): Fifteen seconds.

Mr. Adam Zabrodski: No. The AMS is separate. We run on student fees, but what we do with our money is we sometimes donate it back to the university, which may match our donation, and then it's a discrepancy.

Mr. Michael Prue: Okay. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this morning.

KINGSTON COMMUNITY ROUNDTABLE ON POVERTY REDUCTION

The Vice-Chair (Mrs. Laura Albanese): Now we call the next presenter, the Kingston Community Roundtable on Poverty Reduction. Good morning. You will have 10 minutes, and that will be followed by up to five minutes of questioning. This round will go to the government side. Please state your name before you begin.

Ms. Marijana Matovic: My name is Marijana Matovic; I'm co-chair of the round table in Kingston.

Ms. Julia Bryan: I'm Julia Bryan; I'm the coordinator of the round table.

The Vice-Chair (Mrs. Laura Albanese): You may begin.

Ms. Marijana Matovic: The Kingston Community Roundtable on Poverty Reduction was launched in January 2008 as the result of the work of the mayor's task force on poverty reduction. The task force was established following the 2007 municipal election. The 24-member round table is a resource and community think tank. We collaborate with other agencies, organizations, groups and individuals in order to set Kingston poverty reduction targets and hold the community to account for their achievement, develop a poverty-related knowledge base to raise public awareness around the issues related to poverty reduction, and to advocate for a more effective community response to poverty and for poverty reduction strategies.

We commend this government for the stimulus policies that have moderated a prolonged economic depression. The government's poverty reduction strategy and the passage of the Poverty Reduction Act are important steps forward in recognizing the gravity of endemic poverty in Ontario. The creation of full-day kindergarten programs, five of which are within the city of Kingston, and the commitment to establish a long-term affordable housing plan by June 2010 are also welcome initiatives.

The area of primary focus for this budget should not be deficit reduction but continued government support for a still-fragile economic recovery. Poverty reduction will help with ongoing economic stimulus. We believe the government should also address the long-neglected issue of local government finance reform.

An unemployment rate that rose from 6.5% to 9% in the past year, coupled with an alarming and ongoing trend toward part-time and temporary work, dictates that the 2010 budget should focus on job creation. This would mean support for existing and new sustainable industries. The government should ensure prompt and sensible spending of the $32.5 billion allocated last year for infrastructure projects. Addressing the deficit should not be based on cutting public services that are essential in times of hardship.

Ontario already has a highly competitive corporate tax system. We do not need to reduce corporate income tax from 14% to 12% in 2010. We will already collect less from corporate profits due to the recession. Government investment and spending on physical infrastructure, an educated workforce and quality programs such as health care have a stronger economic impact than tax cuts.

The Ministry of Labour has amended the Employment Standards Act and extended protection for vulnerable workers. This budget must ensure that the remaining $5.5 billion out of $10 billion allocated last year be spent on enforcement and protection of the growing number of contract, temporary and self-employed workers.

Also, Ontario should lobby the federal government to overhaul the employment insurance program. EI is currently based on past regional performance and leaves many people without financial support. The province should promote a return to pre-1988 eligibility rules and levels. We also need a modernized EI system that responds to the changing labour market evident in the increasing numbers of workers doing part-time and contractual jobs.

The income gap between the top and bottom 10% of the Ontario population has been steadily widening over the past three decades. The top 10% now enjoy incomes 75 times higher than the bottom 10%. The current provincial income tax system, with a maximum rate at less than $75,000 in annual income, aggravates rather than alleviates the growing inequity. Introducing graduated levels of taxation for annual incomes of $100,000, $150,000 and $250,000 respectively would generate new tax revenue in the order of $1 billion a year. This would mean an honest shift towards reducing the ever-widening income gap.

I'm turning now to the issue of local government. The government needs to address the unsustainable provincial-municipal financial relationship introduced and maintained by previous governments. Many municipalities in Ontario have been forced to raise taxes and/or raise money through increased user fees in order to meet obligations such as social assistance and affordable housing. It is clearly not enough that the provincial government supports local demands for federal funding. With 38% of Canada's population, in 2008 Ontario accounted for 88% of local government spending on housing within the nation and 95% of Canada's municipal spending on social services.

About a poverty reduction strategy: According to the Statistics Canada report Income Trends in Canada, 2005, 14.5%, or over 1.7 million, of Ontario's people live in poverty. Low-income families are living in a deeper state of poverty now than during the early 1990s. During 2009, food bank usage across Ontario jumped by a stunning 19%.

The recent report In From the Margins: A Call for Action on Poverty, Housing and Homelessness, produced by the Senate, quotes two studies on the cost of poverty in Ontario. The Ontario Association of Food Banks estimates the social cost of poverty at $10 billion to $14 billion. If we fail to address deepening poverty and a growing income gap today, this situation will continue to cost more and more tomorrow, through higher costs for health services, remedial education, unemployment, and criminal justice.

A second report, published in the Ontario Medical Review, stated that many health disparities of our most vulnerable neighbours can be traced to economic disparities. It estimated that health care costs have increased by 20%, or $35 billion, due to those disparities. With approximately 40% of Ontario expenditures going to the health sector, we must address the social determinants of health, such as equity; food security; income and job security; safe, affordable housing; education opportunities; inclusion and community participation; recreation opportunities, and quality child care.

For Ontarians working at below-poverty-level wages, economic circumstances began to deteriorate rapidly

when the minimum wage was frozen in 1995. The average annual increase in the minimum wage of 29 cents during the 1986 to 1994 period plummeted to two cents during the 1995 to 2003 period.

The Vice-Chair (Mrs. Laura Albanese): You have about two minutes left for the presentation.

Ms. Marijana Matovic: Had the rate of increase in the minimum wage remained at the level of the 1986 to 1994 period, the minimum wage in Ontario in 2006 would have been $10.18, and the rate today would be $11.34. We recommend that the government commit to increasing the minimum wage to $11 an hour, with the immediate implementation of annual indexation tied to inflation.

In addition, dental care and drug benefit plans should be established for low-income workers, who are unlikely to have coverage through employment. The 2008 budget promised to inject $135 million towards oral health care for low-income Ontarians, but that money has recently been diverted towards expansion of dental programs for children.

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The situation is even bleaker for people who live on Ontario Works. While we are applauding the government for forming an advisory panel to assist in the social assistance review—and we hope that Ontario will provide financial backing that will allow this review to revamp social assistance in a truly meaningful way—we are asking, as an interim measure, the government to introduce a $100 monthly healthy food supplement to the basic needs allowance for all adults receiving social assistance.

According to a recent study, people on social assistance are 4.5 times more likely to have diabetes and heart disease, and we all know—

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds. Sorry.

Ms. Marijana Matovic: —and we all know that nutritious food is essential for health.

We are also asking that you look at the example of Quebec and of Newfoundland and Labrador, which budgeted for an interministerial committee to guide its poverty reduction strategy. Such a body would ensure that ministries are laterally supportive and that solutions to diverse issues don't collide.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Even though you didn't finish your presentation, I'm sure the members have had an opportunity to look through it and will read it afterwards.

Mr. Rinaldi, proceed with the questioning.

Mr. Lou Rinaldi: Madam Chair, I will defer my time for them to finish the presentation. It's a very good presentation, very thoughtful, and I would rather them do it.

The Vice-Chair (Mrs. Laura Albanese): That's very gracious of you. Please proceed.

Ms. Marijana Matovic: Thank you very much.

Finally, in order to protect the most vulnerable Ontarians from potential negative impacts of the harmonized sales tax, Ontario's tax-based income security programs must take into account the needs of both the aboriginal people who do not file income tax returns and the cash flow needs of those who cannot afford to wait months for rebate cheques.

I'm now turning to affordable housing, which is crucial for any poverty reduction strategy. While boasting a waiting list for affordable housing of 137,000 households, Ontario has the lowest per capita spending on affordable housing in Canada. Affordable housing construction and maintenance are essential to any poverty reduction strategy. The 2009 Ontario Auditor General report noted that households most in need of affordable homes cannot afford to pay rent for so-called affordable housing units funded by the province.

A long-term affordable housing strategy for Ontario must be backed up by investment. The 2010 budget should account for the $330 million in federal housing funding transferred to the province, keep the promise of $611 million in provincial funding to match federal affordable housing investment, provide $250 million towards a long-term affordable housing strategy, create a project development fund based on Quebec's model, and ensure allocation of the remaining 80% of funds through Ontario's affordable housing loan financing program.

A poverty reduction strategy and a program of good jobs also require access to child care, education and training. Adequate education for children, youth and people transitioning from social assistance and employment insurance is a prerequisite for a prosperous Ontario. The 2010 budget should ensure the viability of 7,600 subsidized child care spaces currently in jeopardy due to the pending loss of $64 million in core funding in April 2010, increase access to post-secondary need-based education funding for low- and medium-income families, and fund training programs that match current labour demands for those transitioning from social assistance and employment insurance to work.

Finally, as much as we applaud a poverty reduction strategy, we believe that people who have no children should be looked after, because the situation is such that a person on OW currently receives $685 a month and average rent in Kingston is currently $1 more than what they receive a month.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Mr. Rinaldi, you have two minutes.

Mr. Lou Rinaldi: Okay, good. First of all, thank you for your presentation, and thank you to you folks in Kingston here for taking the initiative. I think it's very important you do that to make sure your communities don't get left behind.

Just a comment: You didn't specifically touch on these things, but we know there's more to be done when it comes to poverty reduction. I was part of a panel that travelled the province a couple of years ago to come up with a provincial poverty reduction strategy. Can you comment on two things? One, in Ontario we now have a child benefit, which we never had before, to try to help alleviate poverty, and you mentioned the potential harm

from the HST implementation. Were you aware that anyone of no income to low income also has access to or is eligible for a provincial tax rebate now, the same as the GST? Does that help at all, or can you—

Ms. Marijana Matovic: My understanding is that the return from the harmonized tax would be coming in quarterly or whichever way. I personally work for Kingston community health centres. We have practical assistance workers, and believe me, we see on a daily basis people whose utilities are just about to be disconnected, or who are already disconnected because they need that money today. In order for you to benefit from something that will be given to you three months later, you have to have enough cash flow to cover your basic daily needs.

Mr. Lou Rinaldi: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that.

LANARK COUNTY

The Vice-Chair (Mrs. Laura Albanese): I understand that we'll be hearing now from the mayor of Perth and Lanark county.

Mr. Lou Rinaldi: I think he's just outside.

The Vice-Chair (Mrs. Laura Albanese): Yes.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): Is he coming? We'll just wait for a second or two until the mayor comes.

Mr. Michael Prue: Is this a substitution?

The Vice-Chair (Mrs. Laura Albanese): Our 9:45 presenter has cancelled, and this would be our 10:45 presentation—

Mr. Michael Prue: Okay, that's fine. I just needed to know which one it was.

The Vice-Chair (Mrs. Laura Albanese): —and since the mayor is here, we will let him go ahead.

Welcome.

Mr. John Michael Fenik: I just sit here?

The Vice-Chair (Mrs. Laura Albanese): Yes. Any of those chairs will be fine. You will have 10 minutes for your presentation, which will be followed by five minutes of questioning. I would ask that you please identify yourself for the purposes of our recording Hansard. Right after that, you may begin.

Mr. John Michael Fenik: Thank you, Madam Chair, and merci beaucoup pour l'invitation. Thank you very much for being here today and the invitation. My name is John Michael Fenik. I'm the mayor of the town of Perth. I'm also the warden of Lanark county. As those political positions where I come from are not full-time, I'm also a full-time social worker with the Upper Canada District School Board.

With me today is Mary Lou White. She's manager of children's services. And I find myself perhaps at a wee bit of a disadvantage, or perhaps at an advantage, in that my CAO and treasurer, who were both going to come and help field questions if there are any, are not here because we've jumped the queue. So maybe with some of the bureaucracy gone, we'll have things done a little bit quicker here.

Mr. Michael Prue: Don't show that transcript.

Mr. John Michael Fenik: Please, yes—and I say that with all due respect to my wonderful CAO, Peter Waglan, and my treasurer, Kurt Greaves, which I could not do anything about.

As I said, I'm the warden of Lanark county and the mayor of Perth, and I would like to thank the committee for the opportunity to present here today.

Just to tell you a little bit about where we come from, Lanark county is a rural municipality on the western border of the city of Ottawa. Within the county are the towns of Carleton Place, Almonte and Perth. The separated town of Smiths Falls lies on our border—

Mr. Michael Prue: You're too close.

Mr. John Michael Fenik: I'm sorry. Is this a little bit better? Okay.

On our border is the town of Smiths Falls. It's a separated town and it's not within Lanark county. Lanark county has a population of approximately 54,000 people.

0950

Today we're here to speak to this esteemed committee about the Ontario municipal partnership funding and the Best Start program. We do know that your time is very valuable, so we appreciate being here.

We know that probably all politicians from all parties have heard about some concerns with the Ontario municipal partnership funding. We want to preface the presentation by acknowledging the fact that we do understand the financial challenges that both federal and provincial governments will face, this year and in the future, as a result of the global economic downturn and the growing deficit. We as small municipal politicians also face similar challenges, except on a much smaller scale. I want to let the committee know that we at Lanark county are very prudent with our financial resources. We diligently and responsibly prepare and approve annual operating budgets and five-year capital plans.

That being said, the declining funding around the Ontario municipal partnership funding is, on a very basic level, hurting us. Our municipalities rely on the mitigation funding component of the Ontario municipal partnership fund. We see mitigation funding as comparable to resource equalization for those municipalities that, due to a variety of factors such as location or ability to raise sufficient property taxes or the cost of providing services, are dependent upon this type of funding.

We acknowledge that as part of the Provincial-Municipal Fiscal and Service Delivery Review, adjustments were made to the OMPF grant in lieu of the provincial government assuming a gradual transfer of social services costs, and I'd like to say I really appreciate the provincial government for undertaking those initiatives. However, I think it's important to point out that for small, rural, less-affluent local municipalities within the county I represent, there are no social service programs to upload and thus there's no net financial gain.

As a taxing authority with a larger assessment base, the county can absorb revenue losses more readily than small local municipalities and towns. These small municipalities and towns have significantly smaller budgets. Quite frankly, eastern Ontario is significantly more dependent upon transfer payments than other parts of the province.

When my CAO and treasurer get here, we'll leave some background information with the clerk for you to take a look at. Some of the background information you will receive points out a few things that I'd like to point out now.

First, 40% of the downloaded highways that the provincial government transferred to the counties ended up in eastern Ontario. In Lanark county, farmland and managed forest tax ratios set by the province resulted in a loss of $1 million per year of tax revenue. Some 15% of Lanark county's land mass, or 44,000 hectares, are crown lands for which the county provides a full range of services—road maintenance, fire response and ambulance—which cost us $13.5 million. In return, we receive $46,000 from the province.

There will also be information about a schedule which shows the impact of the Ontario municipal partnership fund changes on the local municipalities, which will result in tax increases at the local level ranging from about $13 to $93 per household this year. Again, 88% of our assessment is residential, therefore the residential property taxpayer will be required to pay these costs. I'd like to point out that eastern Ontario's per capita income is below the provincial average. So quite frankly, we're reaching a point where local government and property taxes are becoming a financial burden on our citizens.

As a small-town mayor, the call that bothers me the most is when Mrs. Smith calls me from down the road to say, "Mayor Fenik, I was born and bred in the town of Perth. I've been raised in my home all my life, and I'm on a fixed income. Because I can no longer afford the property taxes that are being levied, I must move out." Quite frankly, that is an injustice and it's not fair. As a small-town mayor, that's the toughest call I have to take.

So we would respectfully recommend the following:

The decision to remove the mitigation funding component of the Ontario municipal partnership fund over the period 2010-11, we would respectfully ask, needs to be reconsidered.

The provincial government needs to commit to long-term, predictable and sustainable transfer payments. Municipalities need to be able to plan their revenues and expenses in a structured and comprehensive fashion in order to control taxes, similar to the provincial government.

And if I could just speak briefly to Best Start—and just on the side, away from my speaking notes, property taxes are a regressive tax. It's a tax that is levied that for so many avenues—so many parts of a property tax now have nothing to do with property. It's not based on an ability to pay. So in my small-town-mayor way of saying things, the current property tax system is quite simply insane. I don't know how you're going to fix it, folks. That's going to—anyways, I'm sorry. That's an aside. My treasurer and my CAO would probably be kicking me now. Mary Lou's just gritting her teeth, I'm sure.

Just briefly on Best Start, this is something that I'm very passionate about, being an old town social worker. We want to compliment the government on initiatives for children. Best Start has created a system of services that supports families and children from birth until they reach grade 1. This initiative includes affordable child care; improved access to subsidies for low-income families; wage subsidies for child care staff, as a lower-end occupation; and access to neighbourhood hubs. The program supports children with special needs, provides transportation to children in remote areas of the county and families with limited available transportation so they can participate in early learning opportunities, and it supports the children's service providers in professional development and training opportunities.

Lanark county has been very successful in implementing these programs for the benefit of our families. We're building a strong foundation to ensure success regarding the Best Start vision, and that is that "Children in Ontario will be ready and eager to achieve success in school by the time they start grade 1."

We are also aware of the province's new initiative with the introduction of the full-day of early learning that will initially focus on four- and five-year-olds, with implementation over the next five years. Lanark county has been allocated 10 of 28 classrooms in phase one of this initiative. It is expected that as a result of the introduction of the early learning initiative and the reduction of Best Start funding, the opportunity for eligible children to participate in Best Start will be limited.

Best Start is incredibly amazing and effective in giving children a head start. It's kind of like a race. Everybody's on the starting line, and those disadvantaged children who come from impoverished homes that don't have the same advantages are ahead of the starting line a little bit with Best Start. This program is critical in best outcomes for the health of the children in our county and also for giving them a leg up on the educational ladder and journey that they will undertake. I—

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Mr. John Michael Fenik: Am I out of time?

The Vice-Chair (Mrs. Laura Albanese): Yes.

Mr. John Michael Fenik: Okay.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

Mr. John Michael Fenik: Sorry.

The Vice-Chair (Mrs. Laura Albanese): The questioning goes to the official opposition.

Mr. Toby Barrett: If you wanted to take a minute just to wrap up and then we'll subtract—

Mr. John Michael Fenik: Maybe if I could go to the recommendations around Best Start just very quickly, and thank you, sir, for that.

We just would respectfully request that the provincial government continue to work with federal colleagues to develop a true transition plan that includes ensuring the original goals of the Best Start program are still achievable within the context of different age groups. This really is a federal—the feds own a piece of this program. They have to come to the table with this. And we ask that the transition plan include sufficient funding and that we continue to create great opportunities for the children to learn.

I did want to just very briefly say as well that we produce maple syrup in Lanark county, and I wanted to point out that Springdale Farm Maple Products in Clayton won the John David Eaton World Champion Cup for maple syrup producing.

Applause.

Mr. John Michael Fenik: Yes, I know. It's great. And then the Wheelers—we do the best maple syrup, I think, in the entire world. We're also bringing little samples of maple syrup, which we were supposed to give you guys beforehand to soften everybody up, but this whole presentation has kind of gone by the wayside. Anyway, those are the messages we have.

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Mr. Toby Barrett: Thank you. It's great that both Lanark county and Lanark Highlands as well were able to testify. Just to kick off from a discussion with Lanark Highlands, they discussed somewhat tongue in cheek the amalgamation of four small underdeveloped and financially challenged municipalities into one large underdeveloped and financially challenged municipality. They indicated some savings were made. We've gone through this in the rural south. You still have two levels of government for the county. You don't want to do it right away, but is there any merit at all in considering further amalgamation or maybe getting rid of one level of government at the municipal level?

Mr. John Michael Fenik: Well, I can speak from my perspective as mayor of the town of Perth and perhaps put my warden's chair aside. I would gladly, in a second, step aside as mayor to amalgamate with my surrounding townships and develop a board of governance or a single-tier government. It just makes sense in a county such as Lanark county. The town of Perth is a small town of 6,000 people. We have an arena and a pool. The population of the county uses all our services, so we're at a disadvantage. I think amalgamation is absolutely the way to go in the future. I would not hesitate to lead that charge.

Unfortunately, sometimes historical perspectives—I don't want to say fiefdoms—historical territorial issues, political issues and some historical suspicions prevent amalgamation from moving forward. If there was ever an opportunity for amalgamation to be looked at and actually enacted by provincial statute, then I think this would be a great thing.

Mr. Toby Barrett: Barring it coming from the grassroots or a voluntary—

Mr. John Michael Fenik: Yes, sir.

Mr. Toby Barrett: My colleague has some questions as well.

Mr. Norm Miller: Yes. I think I'm probably not going to have enough time for all the questions I had, so I'll start with property taxes, then. In your municipality, how do your taxes compare to the rest of the province? You did state that they're becoming a burden on your citizens.

Mr. John Michael Fenik: Right. Speaking from the small town of Perth, our property taxes are the highest in the entire county. We have the lowest assessment. What you'll find unique—well, not so much unique: In the town of Perth, the boundaries, there's no more room to grow. We cannot grow our assessment base. Increasingly, when you have 2% to 3% cost-of-living increases or our levy continues to grow, there's nowhere else to go but to the taxpayers and the assessment there.

Mr. Norm Miller: Or other levels of government.

You also brought up the OMPF funding as being not working for you and looking for sustainable funding. We heard from another presentation that there used to be per capita funding, for example, from upper levels to municipalities.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Norm Miller: Would that make sense for you?

Mr. John Michael Fenik: Yes, it would.

Mr. Norm Miller: Or I know federally you get a portion of the gas tax; provincially, probably not because you likely don't have transit.

Mr. John Michael Fenik: Right; no. And the gas tax is welcome, and certainly sustainable funding through an OMPF arrangement would be the answer. The issue is, in our transit system, our roads and bridges are transit systems. We have over 500 kilometres of roads and a million bridges. Any time you look at redoing a bridge, you're looking at $1 million; that's the base rate. The tax money, while that's welcome, doesn't cover the needs of the particular rural issues of Lanark county.

The Vice-Chair (Mrs. Laura Albanese): Unfortunately, the time has expired, but we want to thank you for your appearing before the committee this morning, and I'm sure that samples of maple syrup will leave a sweet taste of your presentation.

Mr. John Michael Fenik: Thank you very much.

Mr. David Zimmer: We're all very excited.

Mr. John Michael Fenik: Merci beaucoup.

The Vice-Chair (Mrs. Laura Albanese): Au revoir.

CHEMISTRY INDUSTRY ASSOCIATION OF CANADA

The Vice-Chair (Mrs. Laura Albanese): Now we call on the Chemistry Industry Association of Canada to come forward. Good morning. You will have 10 minutes for your presentation, and that will be followed by five minutes of questioning. Please identify yourself for the purposes of our recording Hansard, and you may begin.

Ms. Fiona Cook: All right. Good morning. My name is Fiona Cook; I'm director of business and economics with the Chemistry Industry Association of Canada. I didn't bring any samples for you today, I'm afraid. We have circulated, I believe, a one-pager, which really is the background to the comments that I'm going to give you today.

Thank you again for the invitation to deliver some remarks today on behalf of Canada's chemical producers. What I would like to do today is give you a brief description of the industry, provide you with a sense of our current economic situation and make a plea that chemistry and manufacturing be recognized for the wealth, jobs and solutions that it creates and be given a key focus in government agendas moving forward.

Ontario's chemical sector is a keystone sector; it provides valuable inputs into virtually all components of the provincial economy and nearby regions. The chemistry industry takes a small part of energy products, like natural gas liquids such as ethane, and converts them into value-added products. Chemistry adds up to 10 times the value of that feedstock, as we call it, and provides an alternative to burning these energy components. From the production of paper and forest products or extraction of minerals on the resources side, to the plastics used in auto parts, food packaging and medical devices, to the insulation and piping in homes, chemistry is directly involved in our daily lives and the products we use.

The recession has hit us particularly hard. We went from being a $26-billion industry in 2008 to a $17-billion industry last year. That represents a huge drop—no less than 35%—and the climb back up is going to be long and difficult. To put those numbers into context, the last time sales were at that level was in 1999. So, in essence, we lost a decade of growth. There are several reasons for the extreme drop. We export about 75% of our production to the US and, as I mentioned, we depend on demand from industries such as auto, housing, and pulp and paper, to name but a few. As you know, these were the very sectors that headlined this last downturn.

Although conditions are starting to pick up south of the border, at this time we are still lagging the recovery in the US. Our members expect sales revenues to increase by only 2% this year on flat volumes, and operating profits are projected to drop by 36%. These projections are based on the continued strength of the Canadian dollar and continued weakness in our key customer industries, as well as heightened competition from the Middle East and the Far East.

Despite this somewhat gloomy short-term outlook, Canada and Ontario continue to maintain some competitive advantages over other jurisdictions, notably in the US. In order to leverage these advantages and grow the industry here, we need to work on a number of fronts, and I'd like to elaborate on these.

We are within close shipping distance of a massive market to the south. We have a highly skilled workforce. Chemistry has the highest level of university graduates of any manufacturing sector. These employees are hard at work seeking sustainability solutions for society, from lightweight auto parts to insulation for homes to solar panels. Attracting new commercialization of these latest technologies must be job number one for government. We also need new investment in machinery and equipment to maintain our enviable productivity record. It's a little-known fact that the Canadian chemical industry is actually 50% more productive than its US counterparts, but this is not sustainable without renewal.

Chemical manufacturing is heavily dependent on chemical complexes which link various products in a chemistry value chain. For maximum efficiency, it is very important to link refining or gas liquid extraction facilities to petrochemical development and utilize a range of products to create other chemistry-based industries. There are four major complexes in Canada but two are under enormous strain, one of which is located in Sarnia.

In Sarnia, there has been no major investment for many years, and the once impressive chemical complex is badly in need of renewal. Sarnia has lost Dow as a major producer, and many of its facilities are decades old. The loss of the Cochin pipeline—a major source of feedstock—has limited growth, and the decision not to put a Shell refinery in that city was a blow to future development. The existing facilities of Nova, Lanxess and Imperial need access to a good supply of feedstock to maintain their operations.

There is actually currently a major opportunity to reverse the decline of Sarnia as a chemical complex, and that is access to plentiful shale gas from Pennsylvania, where significant discoveries have recently been made. These new gas finds are rich in chemical feedstock, such as ethane, and, if tapped, could represent a new generation of growth for the Sarnia valley. The upgrading of bitumen from the oil sands from Alberta also presents an impressive feedstock opportunity. We're also seeing new frontiers for chemistry in areas like biochemistry using so-called biofeedstocks from agricultural and forest products waste that could lead to significant investment and growth.

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But development of these opportunities requires a clear commitment to manufacturing. It will require a policy framework of taxes, energy, regulatory structure and transportation which enables the industry to compete on a world scale and links these new, emerging areas to existing chemical and chemistry complexes to build on available infrastructure and expertise.

Much has already been done on the tax front, and we commend the government for moving ahead with harmonizing the retail sales tax with the GST and for introducing an accelerated corporate rate reduction for manufacturing. We also know that Ontario has urged the federal government to adopt a five-year accelerated capital cost allowance for manufacturing machinery and equipment, and we hope that the federal government will eventually deliver on that ask.

However, the unfortunate reality is that these positive changes are being offset by increased costs and duplication elsewhere. The overall policy environment for manufacturing isn't friendly and investor perception has soured. We regularly deal with a plethora of initiatives from various departments which may help to enhance an environmental, health, fiscal, trade, energy, transportation, labour or other mandate but which, as a total, create even more challenges for manufacturers and hinder new investment. Examples of these include the additional burden and cost introduced through initiatives such as the Toxics Reduction Act and the Green Energy Act. We are not opposed to the spirit or intent of these regulations, but rather their inefficiency and their requirements, which are additional to and sometimes even in conflict with other federal initiatives.

Ontario needs an effective regulatory framework and manufacturing strategy that lowers the cost of doing business in the province. We have the skilled workforce, the necessary infrastructure and access to resources. Instead of thinking of resource development, manufacturing or even services as separate sectors, we should be thinking about creating maximum synergy among them. They need and depend on each other. With political will and a strategy that recognizes value-added manufacturing as a source of wealth generation, we can build on these advantages and create a green future economy at the same time.

Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that submission. I'll now turn it to Mr. Prue for questions.

Mr. Michael Prue: You didn't say anything in your presentation about whether the chemical producers in Ontario were profitable last year. I know that they had less output. Were they profitable?

Ms. Fiona Cook: Actually they were, and that seems a bit counterintuitive, but the reason for that is, as I mentioned, feedstock is our principal—things like ethane are our principal components for producing products and the price of natural gas was very low last year. So even though we had that massive decline of volumes, we were profitable. You are absolutely correct.

Mr. Michael Prue: You're coming here and giving an ask for a company that's profitable. That will be a difficult thing, I think, for this government. I'm in opposition. They're struggling everywhere, trying to find money for people and programs that are necessary, and you're coming asking for things when you're already profitable.

Ms. Fiona Cook: We won't be this year, though.

Mr. Michael Prue: You won't be?

Ms. Fiona Cook: No.

Mr. Michael Prue: Okay, and why won't you be? That's my next part. Why won't you be profitable this year?

Ms. Fiona Cook: Because we don't have that big pricing advantage anymore with the natural gas liquids.

Mr. Michael Prue: I watch those most days in the Globe. They still appear to be fairly low. Are you anticipating that they're going up?

Ms. Fiona Cook: Well, you have to look at the difference between the price of natural gas versus oil, because the Canadian industry is based largely on natural gas. But that margin has started to decline. We're not having that gap so we're not as competitive as we were. We will not be able to rely on lower gas prices, because our volumes are going to drop again, as I mentioned.

Mr. Michael Prue: I understand that it was Shell that decided not to go into Sarnia. It wasn't the government that decided they didn't want Shell or the city of Sarnia and Mike Bradley, the mayor, who said, "We don't want Shell here." That obviously was a business decision.

Ms. Fiona Cook: That's correct.

Mr. Michael Prue: How could that have been turned around? What can we do about a business decision?

Ms. Fiona Cook: There are still certain policy initiatives, things like an accelerated capital cost allowance. I believe firmly that if the five-year accelerated capital cost allowance had been in place for new manufacturing equipment—and I know Ontario has supported that; they need the feds to move on it—I think that may have tipped that decision in favour of Sarnia.

Currently in the US, refineries are now taking advantage of a five-year accelerated capital cost allowance to convert their operations to handle Alberta bitumen. We're not doing that in Canada. We are pipelining the raw material down to the US so it can be converted there. It is a business decision, but business decisions are based on whatever the tax structure is, what tax initiatives or incentives are there.

Mr. Michael Prue: You have down here that the energy supply-electricity—that our competitiveness comparison is an equal, it's the same as everyone else. The forest industry, when they've been here, complain bitterly that the cost of electricity for them is 65% more than the forest industry in Manitoba and 45% more than Quebec. Why is it equivalent here in Ontario for your industry when everybody else is seeing it another way?

Ms. Fiona Cook: We have it as a negative, I believe.

Mr. Michael Prue: No, it's an equal.

Ms. Fiona Cook: We've got it declining. Yes, but we're going down because of new initiatives.

Mr. Michael Prue: Equal but declining. All right. So I need to clarify that then.

Ms. Fiona Cook: Yes, because it's going down. We're seeing now with some of the new—like I said, the Green Energy Act, which is going to result in a lot of focus on renewables, is going to increase transmission costs. That's definitely a concern for our sector at the moment. However, I'll add that it's not our primary feedstock. Most of the electrochemical sector that existed in Ontario has moved out of the province to Manitoba.

Mr. Michael Prue: And that's as a direct result of Ontario's electrical policy.

Ms. Fiona Cook: That's correct. Manitoba prices are lower.

Mr. Michael Prue: And how much of our industry has moved to Manitoba as a result of that? Five per cent? Ten per cent?

Ms. Fiona Cook: It depends. If you look at the electrochemical sector, the entire industry has moved. There's no longer an electrochemical sector in Ontario.

Mr. Michael Prue: You also have transportation as a negative and declining as well because of our roads, cross-border. Is anything happening in Windsor?

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Michael Prue: The infrastructure that's going into Windsor, the new bridge, is that going to be of any assistance?

Ms. Fiona Cook: It will be when it gets built. Yes, absolutely.

Mr. Michael Prue: But we're looking years down the road.

Ms. Fiona Cook: That's correct, yes.

Mr. Michael Prue: Okay. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation.

ONTARIO COUNCIL OF HOSPITAL UNIONS

The Vice-Chair (Mrs. Laura Albanese): We'll now call on the Ontario Council of Hospital Unions to come forward. Good morning. You have 10 minutes for your presentation and that will be followed with five minutes of questioning. Please state your name for the purposes of our recording Hansard before you begin, and you may begin any time.

Ms. Helen Fetterly: Good morning. First of all, I wanted to thank the standing committee for allowing us to present this morning. As well, I wanted to introduce my colleagues with me. We'll be co-doing the presentation. On my immediate right is Louis Rodrigues. He's the vice-president of the Ontario Council of Hospital Unions. On my left is Doug Allan. He's senior CUPE research. And my name is Helen Fetterly. I'm the secretary-treasurer of the Ontario Council of Hospital Unions. I'm going to turn it over to Brother Louis.

Mr. Louis Rodrigues: Good morning. The Ontario Council of Hospital Unions represents 23,000 nursing, service and office workers employed by 65 hospitals or health care facilities. While a large majority of OCHU members provide hospital services, some OCHU members work in long-term-care facilities or in emergency medical services, usually—but not always—under the auspices of a local hospital board.

We have freely bargained our last four central collective agreements with the hospitals without having to resort to interest arbitration. Our central agreements have set the pattern for other workers in similar classifications in other hospitals.

We consider Ontario hospitals a key gain for all working people. We are very proud to work in hospitals and the public health care system. We like to consider ourselves one of the most dedicated advocates of Ontario hospitals and public health care. So it is with dismay that we come before this committee of the provincial Legislature.

The normal hospital budgeting process has broken down due to a low level of funding increases suggested by the government and the uncertainty that remains about the exact level of funding for 2010-11.

This past fall, hospitals were supposed to submit hospital annual planning submissions and then sign on to two-year hospital service accountability agreements that would set out funding and service levels. This has gone by the wayside. The much-talked-about role of LHINs as funders of health care providers has been shown up as a sham, as even they do not know where funding will end up. Now the hospital budgeting process has been reduced to hospital management submitting in December management planning and risk report slide shows. To us, "risk report" does not sound like a promising name.

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Budget shortfalls are driving restructuring and closures. In recent months, we have seen the shutdowns of emergency rooms and now hospitals in Burk's Falls and Shelburne. Our members have received hundreds of layoff notices. Unlike the hospital restructuring and closures in the 1990s, there is little planning evident. The hospitals report that their working capital situation has declined and that some are seeking cash advances from the ministry to meet payroll. The hospitals are largely coming up with their own plans to deal with the inadequate funds.

Through the MPRRs, the hospitals are supposed to set out the cuts required under three scenarios: a global funding increase of 2%, 1% or 0%. Neither the hospitals nor the LHINs have released their scenarios to the public though as a union we are pursuing our right to this information. Some hospitals have issued layoff notices, however.

In the previous two fiscal years, global funding was increased 2.4% in 2008-09 and 2.1% in 2009-10, leading already to significant cuts in jobs and services in the hospitals. Scores of hospitals, over a third of the total, were already running deficits last year. Hospitals such as the Niagara Health System and Hamilton Health Sciences have stated that their expenses will increase in the 3.5% to 4% range.

The cuts have led to rising levels of concern around the province. This has been particularly marked in smaller communities. It is evident that the main way to deal with the funding shortfalls is to centralize services and move them out of smaller communities. One LHIN CEO noted recently: "After this process, we would still have seven hospitals in the southeast, but their roles might be different."

The 0% funding option should be off the table, trusting the Premier. Dalton McGuinty said some weeks ago that the government would have to find more money for the hospitals. "We're going to have to find ways to put more money in, but we're going to have to find ways

to live with a little bit less given the impact that the recession has had, not only on the Ontario economy, but Ontario's government finances."

On Wednesday of this week, McGuinty was even clearer: "I can say one thing with absolute certainty: There will be more money for hospitals this year, but it won't grow at the same rate that it has in recent years." We believe and expect the Premier will keep his word.

Recognizing the difficult economic situation, we have recently ratified a collective agreement with modest wage increases of 8% over four years, providing predictability for hospital expenses. In exchange, we negotiated some modest improvements in employment security. These negotiations went on with the government's knowledge, and we expect the government and the hospitals to respect our collective agreements.

While we have elements of democracy in our public life, the work world is not a democracy. It is, in many respects, a dictatorship. The employer directs, and the employee follows direction. Collective agreements with employers temper this relationship and provide protection for workers, so they are hard fought by both sides. We will not let our collective agreements go without using every means at our disposal to protect them. We believe this is true of others in the labour movement as well. We believe that most reasonable voices in the provincial government understand this, but we remain on guard. If there are politicians here who are in favour of quashing or overriding collective agreements, we invite them to raise it here openly, honestly and to our faces.

It is also with concern that we note some leading forces are focusing on reducing support services in hospitals. This continues a long tradition. Approximately 50,000 support workers are employed in Ontario hospitals performing a variety of tasks. They are the lowest-paid workers in the hospitals, with most earning between $17 and $20 per hour—significantly less than the average hourly wage or industrial wage. The large majority are women.

Spending on hospital services has fallen. The Canadian Institute for Health Information has reported that hospitals had actually cut the dollars spent on support services over the years. Housekeeping spending has been cut by 1.8%; material management, 2.2%; patient food services, 3.1%; plant administration and operations, 1.1% per year. Indeed, a 2005 CIHI study indicated that since the mid-1970s, hospital spending on support services had been squeezed, dropping from 26% to 16% of hospital spending.

The Vice-Chair (Mrs. Laura Albanese): You have about two minutes left for the presentation.

Ms. Helen Fetterly: Maybe I'll continue. I'll talk a little faster. I want to talk about hospital-acquired infections.

The Vice-Chair (Mrs. Laura Albanese): Excuse me. One second.

Mr. Wayne Arthurs: Chair? Sorry. If you would allow it, we'd like to relinquish time to allow them to continue the presentation. It's probably as important to have it on the record in that fashion as it is for me to ask questions.

The Vice-Chair (Mrs. Laura Albanese): Okay, then the five minutes of questions will—

Ms. Helen Fetterly: Thank you. Let Louis finish then, and I'll take over from there?

The Vice-Chair (Mrs. Laura Albanese): Well, let's try.

Mr. Louis Rodrigues: I'll only be about another minute, maybe not even.

This policy has not been beneficial. Food services in hospitals are now often produced in distant factories and shipped to hospitals frozen or chilled across the highways, rather than produced in local kitchens with fresh ingredients. Little, or sometimes no, cooking is actually done in local hospitals. Even where there are kitchens, the changes have been depressing. Some long-term-care patients will live the rest of their lives without ever eating a fresh vegetable again. Most vegetables now come in a bag, frozen. These same residents may well be served a steady diet of what are, in fact, leftovers: One or two fewer dietary staff can be used if the food is put together the day before.

Ms. Helen Fetterly: I wanted to talk about hospital-acquired infections. Each year in Canada, more than 200,000 hospital-acquired infections result in between 8,500 and 12,000 deaths, and the rates are rising. One in nine hospital patients in Canada get an HAI, hospital-acquired infection. Such infections are the fourth-leading cause of death. The rate of patients contracting, as well, C. difficile increased almost five-fold between 1991 and 2003. Outbreaks of other types of health-care-associated infections are also on the rise.

Cleaning, laundry, and other support services are a vital element of infection prevention and control strategies. Pathogens such as C. difficile, VRE, MRSA, and severe acute respiratory syndrome, known as SARS, all of these in the environment live for extended periods of time, even months. In fact, these infections are inherently well adapted to survive in dust and on floors, bedrails, telephones, call buttons, curtains and other surfaces. Washing hands is important, but if bacteria and viruses are not eliminated from the environment, hands will quickly become contaminated again. Without high-quality and regular cleaning, the bio-hazards build up.

Breaking the chain of infection requires well-resourced, well-trained and stable in-house health care teams attacking all the kinds of transmissions; sufficient beds, equipment and staff to achieve best-practice occupancy rates; modern high-quality infrastructure and equipment; and standardized procedures, monitoring and public reporting.

The direct costs of hospital-acquired infections in Canada are estimated—and I repeat, estimated—to be $1 billion annually. For example, a survey of Canadian hospitals found that managing the care of a patient with MRSA can cost between $16,800 and $35,000, and that was in 2004 dollars.

In Great Britain, the trade union Unison sponsored a study by hospital-acquired-infection expert Dr. Stephanie Dancer. The Dancer study talks about the amount of saving from properly cleaning with just one extra cleaner, what it would mean in cost-saving measures. The savings per hospital were estimated to be between £30,000 and £70,000, which equates to C$51,000 to C$119,000. This study is particularly interesting as improving cleaning has often been viewed as less relevant for MRSA than C. difficile or VRE. Yet the official plan is often to cut support services in Ontario hospitals.

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Hospital beds have been reduced dramatically as well over the last 18 years. Since 1990, the number of hospital beds has decreased from just over 49,000 to 30,000 beds in 2008, a loss of 19,000 hospital beds. Most of the bed cuts are acute-care beds. In fact, over 15,000 acute-care beds have been cut out.

Reports from our members and other sources, however, suggest that the hospitals are constantly near full occupancy. That's fine if you're a hotel chain and you want full occupancy. But indeed, in health care, you don't necessarily need full occupancy because the beds are going over too quickly. They're not being cleaned properly, and as a result, the evidence is very clear that there are a lot of issues around C. difficile and MRSA as well. In Ontario, 98.53% of hospital beds are occupied, a shocking level that accounts for a large part of the backlogs in our emergency rooms, the offload delays of our ambulances and cancelled surgeries.

We also note that Britain aims to keep the bed occupancy rate at 85% to combat hospital-acquired infections, which are associated with high bed occupancy rates. Other countries have lower bed occupancy levels and reduced hospital-acquired infections. Unfortunately, the media and politicians have not yet seized on this important issue.

While the reduction of hospital beds has slowed over the last decade, the current budget squeeze has increased the reports of bed cuts around the province. This will worsen bed occupancy and the problems associated with that.

The Vice-Chair (Mrs. Laura Albanese): One minute.

Ms. Helen Fetterly: Okay. Ontario hospitals have a record of efficiency. Ontario hospitals have a lower in-patient hospitalization rate than any other province.

As well, before I close, there have been some positive changes. For example, the registered practical nurse now has more education. It is a two-year community college graduate program. But it is only now—and you have to ask yourself—that the hospitals have begun to allow RPNs to work to full scope of practice. We think this trend should continue. There are over 28,000 RPNs registered in the province of Ontario.

There are also significant savings to be had by the elimination of many privatization P3 projects. You have the brief in front of you, so I'm going to go over to pages 10 and 11. I wanted to talk about some cost containments and why the P3s have been so severely overrated and over-costed.

The Vice-Chair (Mrs. Laura Albanese): I'm sorry, but you have five seconds left.

Ms. Helen Fetterly: Okay. Finally, OCHU urges the government to use local procurements for steel products, for example, in Hamilton and Niagara. There should be local steel rather than out-of-country. We also want to talk about the crisis in the pulp and paper mills in northern Ontario.

The Vice-Chair (Mrs. Laura Albanese): I'm sorry, but the time has expired.

Ms. Helen Fetterly: Sorry. Thank you.

The Vice-Chair (Mrs. Laura Albanese): We do have the presentation; I'm sure that each member will read it carefully. We thank you for appearing before the committee this morning. Thank you for your time.

ST. LAWRENCE COLLEGE

The Vice-Chair (Mrs. Laura Albanese): We now call on St. Lawrence College to come forward. Good morning. You will have 10 minutes for your presentation. That could be followed by up to five minutes of questioning. I would ask you to identify yourself for the purposes of our recording Hansard before you start. You may begin.

Mr. Gordon MacDougall: Thank you. Good morning. My name is Gordon MacDougall, and I'm the vice-president of advancement, student and external affairs at St. Lawrence College. I'm here today representing our campuses in Brockville, Cornwall and, of course, Kingston. Before I continue, I would like to thank you for the opportunity to appear before your team.

My presentation will touch on issues of importance for St. Lawrence College and the Ontario college system. My intent is to offer commentary on areas of mutual interest and to leave you with a clear picture of how colleges are a very critical and certainly willing partner in advancing Ontario's prosperity. I hope to leave time for questions.

I'll start with a little about St. Lawrence College. Our full-time enrolment is just over 6,500 students across our three campuses, with 4,700 students here in Kingston, 700 in Brockville and 1,100 in Cornwall. We've seen more than 70,000 graduates complete their studies over our brief 42-year history, and we've touched the lives of more than 200,000 part-time and continuing education learners. Over the last decade, we have grown by 43%. Our most significant claim, though, is that more than 80% of our graduates continue to live and work in eastern Ontario. They make up the very fabric of our communities.

The stimulus investments made by this government in the last budget year have given us the initial means to support growth and to create learning environments essential for our learners.

We serve our communities and our region. Our programming speaks to access and the need for a suite of

standard offerings in business, health care, social services and technologies. It addresses business needs through partnership in economic, social and cultural development initiatives, and it serves as a catalyst and support for visionary change.

Provincial policy and investment incentives in Ontario's green energy initiative are an easy example to point to. St. Lawrence College is the leading college in renewable energy education in Canada. We have been engaged in this since 2005 and now have diploma programs for energy systems technician and technologist and for wind turbine technicians, along with a soon-to-be-announced geothermal program. As well, we lead a national initiative for the development of solar curriculum.

That is to say we build the human capacity, the skilled workforce which is key to advancing the strategic directions of our province. Indeed, we are part of a community of knowledge, and along with our colleagues at Queen's and RMC, we are leading the way in this important field of research. We are part of a business community that is investing in and advancing our green economy, and our community has set a goal of becoming Canada's most sustainable city.

We have no doubt that demand will continue to rise for college-based post-secondary opportunities, and we must continue to meet the changing needs of our communities and the ever-increasing imperative for a highly skilled, knowledge-based workforce. While we pride ourselves on our responsiveness as a system and our relevance to our labour market demands, we have barely kept pace. Given the challenges ahead, continued investment will remain an absolute necessity.

The college system here in Ontario has recently outlined a vision for higher education. We have had a solid start, and the government's Reaching Higher strategy has made inroads on the key issues of quality, access and accountability. It is also clear that we cannot rest on those achievements. The demand for skilled workers has never been higher, and if Canada, and in particular Ontario, is to remain competitive, we must advance on the footing of a knowledge-based economy.

Here in eastern Ontario, I think it's safe to say that we are not neophytes in weathering the storm of a changing economy and the consequences of a global recession. Our manufacturing sector has declined extensively over the past decade, our communities have had their struggles, and we are in the process of reinventing ourselves.

Throughout this time, the college has adapted to changing needs and has worked in partnership with our communities, our businesses and our citizens to repurpose, reconfigure and revitalize programs to meet the new and changing labour demands and market opportunities. We have, in fact, continued resolutely with a mandate delivered more than 42 years ago by William Davis when he created the college system and viewed us as a solution, an instrument of labour market adjustment and development.

Ontario has suffered as a result of the monumental shifts in the economy over the past two years. Our government has faced and continues to face tough choices. Investments in our future must be sustainable. The Canadian Council on Learning has said, "The highest labour-market demand between now and 2015 will be for trades and college graduates." Many studies have also asserted that almost 80% of our workforce will require post-secondary credentials. Colleges are part of the solution, both short- and long-term.

Just this past year we've seen a critical transition strategy put in place, and the college system is proud of the huge role they have played in making the government's Second Career strategy such a success, serving more than 21,000 laid-off workers here in the province. In order for the college system to be positioned to effect this positive change, colleges require continued commitment and strong investment.

The focus on increasing secondary school completion rates, creating pathways to post-secondary education through learning to 18 and school-college-work initiatives have gone a long way to increasing post-secondary participation rates here in our communities. Our college alone has close to 400 high school students participating in dual-credit studies whereby they receive not only a high school course credit but also a recognized college credit and, in many cases, co-op experience as well.

In the face of a declining demographic, the expanding participation rates are an offset. Our access initiatives for rural, first-generation learners and aboriginal peoples are achieving traction and our largest growth continues to be in our non-direct markets, where more and more people are returning to college to pursue or advance a career. More than 60% of our students come to college after being out of high school for more than one year, and our most recent application statistics show that 27% of them arrive with post-secondary experience.

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Dr. Alan King and Wendy Warren, right here at Queen's University, have concluded through their recent research that college-bound students are unique. Unlike those students bound for university, they tend to want to stay in their local community for their post-secondary education. Our students come from all socio-economic backgrounds, particularly, as I have mentioned before, underrepresented groups—aboriginal, disabled, first generation, low income—who tend to need additional supports aimed at student success.

The one common denominator is that students come to us because of what we can offer: education and skills leading to the ability to secure a job, establish a career and improve their quality of life. And they do just that. Based on our key performance indicator data, 92% of our students were employed within six months of graduation. Their employers tell us that they are extremely satisfied as well, with a 97% satisfaction rate in 2009.

St. Lawrence College has ranked in the top three of the province on our funded KPI results consistently over the past five years. A significant part of that success is

grounded in our engagement with the community and employers, and as partners in the social, cultural and economic development of our region.

In summation, over the last decade we have seen more than 43% growth in our enrolments. Yes, last year we saw a 12% increase over 2008; however, in a recent book by Trick, Clark and Skolnick they reveal that enrolments jump in a recession, but they level out after that recession at a higher enrolment plateau. More students are completing high school, more are coming to college, more are returning to college after stopping out of school or having completed a level of studies elsewhere. We are reaching out to the underrepresented groups. Early indications for next fall's enrolment suggest further growth. We are seeing a 23% increase in applications to St. Lawrence College right now, with the province showing a similar trend compared to this time last year.

We need to ensure that funding keeps pace with what is shaping up to be unprecedented growth. In last year's provincial budget, growth was covered by end-of-year money, meaning it was not in our base budgets. St. Lawrence College has worked diligently over the last four years to reverse a trend of ever-increasing deficit budgets. As a college, we have turned the corner. The pressures, however, are unrelenting and the need to do more while remaining sustainable is the challenge.

The Vice-Chair (Mrs. Laura Albanese): You have about 30 seconds to conclude.

Mr. Gordon MacDougall: Growth, access and student success are the key issues we need to continue to address and we need sustainable, long-term resources to do so. Colleges Ontario, on behalf of the province's 24 institutions, has submitted our New Vision for Higher Education in Ontario and budget proposals, with targeted investments.

I'll simply end by making reference to a tag line that we have here at St. Lawrence College, which is "Dream it, live it." That's what our students do, that's what we do and that, we know, is what our communities here in eastern Ontario will continue to do.

Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will turn it over to Mr. Shurman for questions.

Mr. Peter Shurman: Good morning, Mr. MacDougall. Thank you for an excellent presentation. The pride you have in St. Lawrence College is palpable. I hope it spreads around the community. It sounds like you're doing a good job of it.

Without underestimating any of that, we've heard from a number of similar institutions. They've got the same issues: sustainable funding and the fact that we have to invest in a knowledge-based economy. I don't think anybody here would dispute that. The issue for me in listening to you is with the increased and obvious demand for post-secondary and looking at the innovation that you're bringing to the program offerings in the college. Give me a blue-sky answer to this question: Where is manufacturing going as a piece of the Ontario economy over the next five to 10 years?

Mr. Gordon MacDougall: I can only answer that in the context of my opinion around eastern Ontario.

Mr. Peter Shurman: That's fine.

Mr. Gordon MacDougall: What I would say is that the mark that we'll make is in advanced materials and manufacturing. It won't be the very large-scale manufacturing enterprises that we've seen in the past, but it will be a continued increase of very specialized, advanced materials and manufacturing techniques. We have a number of examples—perhaps you'll hear about that a little later on this morning from economic development—of successful companies growing considerably over the last few years because of the specialties they bring to that sector.

Mr. Peter Shurman: Is it fair to say, then, that your perception of the knowledge-based economy, through your students, is seeing innovative development of not gigantic production lines, as have been traditionally Ontario's over decades, but the smaller elements that would go into those production lines sometimes in other places?

Mr. Gordon MacDougall: For this part of Ontario, yes. I think what you would see is that the small and medium-sized enterprise in southeastern Ontario is the dominant force that will continue to grow as a supplier and a contributor to those value chains.

Mr. Peter Shurman: Let me ask one more quick question before I turn it over to my colleague, and that is about the sustainable funding piece. Given the $25 billion of deficit and similar deficits going forward over the next year or two, we're in a precarious situation in Ontario and the government has some tough choices. Where is St. Lawrence College in the event that you receive static funding, you don't get any increase, this year?

Mr Gordon MacDougall: The pressures that we'll see immediately, of course, are on our labour costs, not only in the process of collective bargaining, as everyone would know, but we also have an issue out there with respect to the collective bargaining and wage arrangements with part-time teachers. So those pressures that will no doubt come to bear will certainly erode our current operating levels if forced to maintain at the same level we're at today.

The Vice-Chair (Mrs. Laura Albanese): Any other questions? Mr. Miller.

Mr. Norm Miller: I think I have a little bit of time to ask you a question. You're looking at, if I heard you correctly, a 23% increase in applications this year?

Mr. Gordon MacDougall: That's right. Our deadline for students to apply and get equal consideration of programs is February 1, and as of Monday of this week we saw a 23% increase over the same time last year. It's not growth on growth, because when we look one year back, we were only 1% over at this point. So we are predicting this to be real growth.

Mr. Norm Miller: Obviously, that means there are a lot of people who think you're doing a good job and that you're going to provide a good education for them.

What sort of funding per student would you have at your college? I know you're not funded by the student. I know you get global funding, but—

Mr. Gordon MacDougall: I can't quote exactly the funding per student; I don't have that number available. I believe it's in the $4,500 to $4,700 range, but that's with our two-year slip funding. The funding model has just recently changed and I'm not fully up to speed on that.

Mr. Norm Miller: I just know, in round numbers, that colleges seem to get less funding than primary, secondary or universities, and yet obviously there's great demand for the services you're providing.

I think you're giving people the skills they need to find jobs. What sort of success rate—

The Vice-Chair (Mrs. Laura Albanese): Mr. Miller, the time is about to expire.

Mr. Norm Miller: —would your graduates have?

Mr. Gordon MacDougall: KPI, key performance indicators, show that 92% of our graduates get jobs within six months of graduation.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this morning.

IMPERIAL TOBACCO CANADA LTD.

The Vice-Chair (Mrs. Laura Albanese): We will now call on Imperial Tobacco Canada to come forward. Our next presenter is not here yet, but Imperial Tobacco is here so we'll call them up. Good morning. You have 10 minutes for your presentation, and that could be followed by up to five minutes of questioning. I would ask that you please identify yourselves for the purposes of our recording Hansard, and after that, you may begin.

Mr. John Clayton: Good morning. John Clayton, vice-president, corporate affairs, Imperial Tobacco Canada.

Mr. Mario Tombari: Mario Tombari, director of taxation, Imperial Tobacco Canada.

Mr. John Clayton: Thank you for the opportunity to appear before this committee.

Please allow me first to acknowledge that there may be many people in this room, some members of this committee, who do not like the products we sell. I appreciate that. However, I am going to ask that you listen to the message that I have to deliver regardless of your views of my industry.

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That message is a simple one: For too long, governments at all levels and of all political stripes have ignored a problem which poses a grave threat to public safety and health, which robs governments of billions of dollars annually and forces the closure of small businesses. The problem is illegal tobacco, and it is rampant in this province. As a direct result of governments ignoring this problem, the illegal cigarette market has doubled in size in three years, government revenue has shrunk, and public health objectives are failing.

Today I want to be clear about the scope of this problem, the people behind it, the implications for the government's tobacco control objectives and, most importantly, the fact that the implementation of the upcoming harmonized sales tax may make the problem worse by further increasing the cost differential between legal and illegal products. Without decisive action in the coming weeks, we anticipate another major spike in illegal activity around July 1. Hence, there is a sense of urgency around my recommendations today.

Allow me to provide you with some of the facts about the illegal trade. First, illegal tobacco sales are out of control. The latest data indicates that illegal tobacco now makes up 48% of the Ontario market. That's nearly half. It represents literally billions of cigarettes. Ontario has the largest illegal tobacco market in the world.

Second, the criminals are running the show. By their own admission, the RCMP is losing the battle, estimating they seize only one of every 50 illegal cartons destined for the Canadian market. The RCMP believes that over 100 organized crime groups are involved in the illegal trade. Of those, 69% are also involved in drug and weapons trafficking.

Third, the Ontario government and taxpayers are being robbed of billions of dollars. A year ago, the Auditor General of Ontario reported that the estimated tax loss as a result of the illegal market exceeded $500 million, based on 2006 figures. To put that in perspective, the illegal market in Ontario was only 26% at that time. This suggests that with a 48% illegal market in 2008, the tax losses were around $1 billion for the province. Imagine what the province could do with an extra $1 billion.

Fourth, government regulation of tobacco is becoming increasingly irrelevant. Those who manufacture and sell the clear plastic baggies in which illegal cigarettes are sold abide by none of the over 200 federal and provincial regulations governing tobacco products, including product testing and reporting and mandatory warning labels. They are manufactured in unlicensed factories with no safety or content monitoring. Most importantly, illegal cigarettes are being sold to young people, since those illegal cigarettes are literally available at pocket money prices. We can be certain that the criminals behind the trade do not ask for proof of age.

In short, the illegal trade undermines every single tobacco control measure put in place by government and is the primary reason why the Canadian Cancer Society, amongst others, has reported that smoking rates are stagnant or even climbing now after decades of decline. It is also why Michael Perley, director of the Ontario Campaign for Action on Tobacco, recently stated that "getting contraband under control is really our number one objective."

It is not every day that the tobacco control groups and the tobacco industry agree. When they do, we hope that you will listen.

Number five: The illegal tobacco crisis is getting worse. As I mentioned earlier, time is of the essence. The HST will take effect on July 1. It will increase the cost differential between legal and illegal products. The price gap is already huge: $6 for 200 illegal cigarettes in a baggie compared to $70 for 200 legal cigarettes in a carton. Because the HST does not harmonize the provincial tobacco tax with the provincial sales tax, the 12% HST will be added to the price of tobacco. In fact, the HST will increase the price by $5 to $6 for 200 legal cigarettes. It is a ticking time bomb for the illicit market in a province where criminals already hold nearly 50% of the market.

We previously provided this committee with a study that Imperial Tobacco Canada compiled using public information sources. It shows that there is a tipping point where the use of taxation to increase the price of cigarettes stops acting as a deterrent to smoking and instead acts as a stimulus for the development of the contraband market.

In Ontario, Quebec and now Atlantic Canada, criminals have successfully leveraged this price differential to create a robust market which respects no laws. Eventually, when the tax increases reach this tipping point, smoking rates go up, and revenues go down. That is exactly what is happening in Ontario today, where you have the perverse scenario of tobacco taxes and smoking rates going up while tobacco tax revenues go down. The rising smoking rates and lost revenues are a direct result of this illegal trade.

In raising these concerns, we do not want to question the validity of adopting the HST, and we recognize that it has been legislated into effect. For greater clarity, we are not looking for an exemption from the HST either. However, this committee must understand that when the HST comes into effect, it will raise tobacco prices by 8%, thereby further increasing the gap between illegal and legal cigarette prices. If this happens, the only people celebrating will be in organized crime. To avoid handing this gift to the illegal operators, we recommend that the government temporarily lower the provincial tobacco tax to negate the impact the HST will have on the illegal trade. The net result would be no increase in tobacco prices on July 1.

Again, with an illegal market already at 50% in this province, we are in truly unique times. This temporary PTT relief is warranted until the illegal trade is brought under control. We are not asking for a tax reduction; we are merely asking to neutralize the impact that the HST will have on tobacco products. Doing nothing and allowing taxes on tobacco and, hence, tobacco prices to go up on July 1 will only undermine the other policy initiatives that could be put in place to deal with the illicit trade.

I must also add that Ontario is paying the price for federal inaction on illegal tobacco. The trade has exploded because federal decision-makers have turned a blind eye to its realities. I never thought I would see a day when organized crime would take over a multi-billion-dollar industry. In the absence of federal leadership, the onus is on Ontario to act. Please do not make matters worse by giving the criminals an even greater advantage in this market.

In closing, I accept that there are no easy solutions to this problem and that it touches on politically sensitive areas, many of which require federal action. However, ignoring the crisis will only make matters worse and more difficult to solve in the long term. There are measures Ontario can take now in the absence of federal action.

I'd like to thank you for your time, and I look forward to your questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will now ask Mr. Prue to begin the five minutes of questioning.

Mr. Michael Prue: At the outset, I want to say that I agree with what you're showing, that the revenue from Ontario's tobacco taxes has decreased remarkably. We know that. We know it's also the illegal stuff. But I have a couple of tough questions.

First of all, is my memory wrong, or was Imperial Tobacco not one of the companies that was fined for illegal traffic trade about 10 or 15 years ago, part of the very problem you're now complaining about?

Mr. John Clayton: That is correct. If I could just add a couple of comments to that?

Mr. Michael Prue: Okay.

Mr. John Clayton: One is that the situation 15 years ago was very different than it is today, which has been acknowledged by everyone. The second fact is that, in the situation today, by even the RCMP's own declaration, the legal tobacco industry is not involved in that at all. So it's a very different scenario, what existed before than today.

Mr. Michael Prue: Yes. I just want that to be clear for the record because you're right to complain about it. It's just that I'm not thinking that you are perhaps the best people to complain about it. All right.

Mr. John Clayton: It doesn't excuse the problem that we have today, though.

Mr. Michael Prue: The second thing: You were talking fundamentally about getting the contraband under control, and I think we all agree with that. Quebec has just, in the last few weeks, put forward some extremely tough legislation to do exactly that. Is that not what Ontario should be doing?

Mr. John Clayton: We agree. We'd like to see Ontario follow a similar type of example.

Mr. Michael Prue: You didn't reference that at all. You were talking about not putting in the HST and other measures. That would, I assume, be more of help to you than to actually deal with the problem. The problem is getting the contraband under control, getting police officers, getting law enforcement officials, tough sentences, jobs—

Mr. John Clayton: Absolutely. I don't disagree with you. As a matter of fact, we believe that, due to the complex nature of this problem, there is a variety of

solutions. Increased enforcement, such as the activities that Quebec is putting forward, is one of the solutions which is required.

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However, we cannot ignore this price differential. This also comes from law enforcement authorities themselves. With a price differential between $6 and $70, with the best enforcement in the world, it can't solve all of that. We tend to believe that we have to address the different aspects of this problem if governments are unwilling to address the source. We all know where the source is—where the products are being manufactured; there's just an unwillingness to address that aspect of it. That's another potential solution, but no one has been willing to address that head-on.

Mr. Michael Prue: In terms of Imperial Tobacco, are you a profit-making organization? Are you continuing to make a profit off the sales you're having, even though I understand they may be in decline?

Mr. John Clayton: Yes.

Mr. Michael Prue: So you're making a profit. Notwithstanding this, people are still buying your $70-a-carton cigarettes?

Mr. John Clayton: As I said a moment ago, in Ontario, 50% of the market is illegal; the other 50% are law-abiding citizens who are purchasing legal products. I think the point that I've tried to make here today is, I don't expect this committee to empathize with the impact on our profit line; what I do expect this committee to feel strongly about is the impact that this is having on our society. Those are the points that I tried to raise here. The reason that we should be concerned about the illegal trafficking of cigarettes is because it supports organized crime, products are getting in the hands of our kids—I'm a father of a 13-year-old and an 11-year-old, and I feel very seriously about this and the obligations I have as a member of Imperial Tobacco Canada. It's also decreasing the tax revenues for the province. Those were the reasons I tried to raise with this committee.

The Vice-Chair (Mrs. Laura Albanese): Forty-five seconds.

Mr. Michael Prue: I thank you, then.

The Vice-Chair (Mrs. Laura Albanese): No more questions?

Thank you for appearing before our committee this morning. Thank you for your presentation once again.

Mr. John Clayton: Thank you for the time.

KINGSTON ECONOMIC DEVELOPMENT CORP.

The Vice-Chair (Mrs. Laura Albanese): We now call the Kingston Economic Development Corp. Good morning. You will have 10 minutes for your presentation. That may be followed with up to five minutes of questioning. Please identify yourself before you start your presentation for the purposes of our recording Hansard. State your name, and then you may begin.

Mr. Shai Dubey: Thank you, Madam Chair. My name is Shai Dubey. I am the chair of the Kingston Economic Development Corp. My colleague Jeff Garrah is the chief executive officer of the Kingston Economic Development Corp. I'm just going to provide a few brief introductory comments and then turn it over to Mr. Garrah for the bulk of the presentation.

The Kingston Economic Development Corp. is a not-for-profit organization separate from the city of Kingston. Our mandate is the sustainable economic growth of this city and the region. Our board has, over the last three years, looked at the strategic landscape and come up with short-, medium- and long-term plans for how we make not just Kingston but the surrounding area sustainable as we move forward. The seeds that get planted today may take years before they actually come to germination.

I know you've heard from some of the other institutions and bodies here in Kingston. We work very closely with our partners. It's not just the economic development corporation; our board is made up of people from across the industry, from the public sector, from the private sector, so that there is input from the citizens of this city as to what is required to move the city forward.

At this point, what I will do is turn it over to Mr. Garrah for his presentation.

Mr. Jeff Garrah: Thank you, Madam Chair and committee members, for being in Kingston today as part of your deliberations.

As you know and I know you'd hear from my counterpart organizations in your own constituencies, the provincial budget has a significant impact on how economic development takes place in the province of Ontario. I'm sure some of the points I'm going to offer today are things that you're hearing in your own constituencies or will hear in the course of the coming weeks.

We have responsibility for both business development and tourism in the city of Kingston, and some entities are set up differently in different areas. On the tourism side, we're monitoring carefully the new regional tourism organizations that the province is putting in place. We were pleased with the additional money, from $40 million to $65 million, going for base funding for the regional tourism organizations. We have heard, I'm sure as you have from hoteliers and tourist operators in your area, concerns about the addition of the HST to rooms, which is an important consideration that the committee has to hear moving forward. On the flip side, we've heard great things from manufacturing customers of ours that they do appreciate the HST and how much money it's going to save them. So we hear from both constituencies as it relates to that.

We continue to encourage the government on the infrastructure piece, particularly on some of the cultural investments the government of Ontario has made. Kingston benefited through Celebrate Ontario festival funding, the Queen's performing arts centre and increased funding to the St. Lawrence Parks Commis-

sion, which covers a range of eastern Ontario, which in my view has been neglected for much too long. It's wonderful to see the continued, more sustainable investments coming to the St. Lawrence Parks Commission.

Another important consideration that I know the government of Ontario and the Legislature will have in the months and years ahead is high-speed rail. We're eagerly awaiting the report, we understand, from the federal government and provincial government this spring that will give consideration to a high-speed rail line coming through from—it depends on what report you're looking at—either Quebec or Montreal through to the Windsor corridor. I hope, at some point, consideration will be given to an important infrastructure project in that nature.

In terms of programs and direct investment that the province is making in business, of course regionally we're delighted at how the eastern Ontario development fund is working. It's a great fund. It's easy to deal with for business. The people delivering the program are very accessible and knowledgeable. I wouldn't say the same about the advanced manufacturing investment strategy and the Next Generation of Jobs Fund; we've had a number of troubles with those funds. I think they're burdensome and overly bureaucratic. When supply allocations are being made to the budget with these funds, I think real detail has to be paid in terms of how accessible they are to business and how easy they are to work with for some companies, because our experience with the AMIS and the Next Gen fund, I wouldn't say has been overly positive.

One of the things we've chatted with the federal government about on occasion is more joint delivery services for business as it related to Ontario and Canada. I had a conversation with Minister Goodyear last week. Companies will tell us that at times there are a lot of programs and funds out there to deal with, and when you get them interested in one, related to an expansion they're working on, it's a very difficult thing to manoeuvre through the various funds and programs that are out there. More joint collaboration, which hopefully could result in cost savings, realizing that both senior governments are in a deficit position, might be something that due consideration is given to.

We're encouraged with the Green Energy Act and the investments that have been made. In our region, we've been working on a lot of opportunities in the green energy sector, particularly with research collaboration at Queen's. I think the focus on provincial spending in that area and in supporting green technology and R&D at post-secondary institutions is going to be critical in the decade ahead.

The other thing I would encourage the committee in their budget deliberations to look at, in closing, is the tax structure in Ontario. On the ground—and we're on the ground, and many of my counterparts in your constituencies are—we have to come to the point where we're never going to be able to directly compete against the US on some deals we work on. We're aware, in the southern US, of a company that went in with a $20-million cheque cut from the state and 100 employees put on the payroll by the municipal government for the first three years. We can't compete with that. But if we look at the long-range tax structure the province has in place, and things like R&D tax credits, the federal and the provincial, it puts us in a much more competitive position when we're working with those companies to say, "It might be a quick fix today, the money that's on the table, but think of the long-range strategies that are in place in terms of the tax system. Secondly, think of the innovation that's going on in Ontario and the access to labour." To be competitive, we need those differentiators, and I think those are considerations that the committee, the Legislature and, I hope, the government of Ontario will make as they're moving ahead with their budget considerations. Thank you.

The Vice-Chair (Mrs. Laura Albanese): I thank you very much for your presentation. I will now turn it over to Mr. Rinaldi for questions.

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Mr. Lou Rinaldi: Thanks very much for the presentation this morning. As a member from eastern Ontario, I appreciate your comments, although I come from a rural community.

I want to talk about increasing the potential for industry to expand, to grow or bring in new folks. You made some good comments about the competition, mostly south of the border. As you know, there was a function in eastern Ontario that was done away with in the late 1980s or early 1990s to assist business. Then in 2007—you mentioned the EODF, and Kingston is part of that group. Can you elaborate on some of the successes you've had? That's a four-year program, and obviously, as a member from eastern Ontario, I'd like to see it continue. I know it has had some good benefits in a lot of regions.

Secondly, you mentioned the competitiveness to do with mostly south of the border, with huge tax incentives. If you're familiar with the tax reform that the province is going through—the HST is one of them, and there is business relief—can you comment on whether that will help to entice business to expand or to attract?

Mr. Jeff Garrah: On the eastern Ontario fund, I was aware prior to my being in this position that there was an eastern Ontario development commission. I believe it's still on the order-in-council books. It just sits idle on the public—

Mr. Lou Rinaldi: It was done away with.

Mr. Jeff Garrah: The government of the day in the early 1990s or mid-1990s did away with that program, and I think that was a major disappointment for economic development people in eastern Ontario. We were delighted to see the eastern Ontario development fund come back.

We've probably had about five or six successful applications, with another 10 going. The pre-consultation is a delight, and business doesn't say that much in dealing with government, I'm sure you're aware. The

process is easy. The 45-day turnaround works maybe 90% to 95% of the time. We've had some real success. I think we've probably been on the winning edge of about 50 to 100 jobs expanding here, from a recycling plant, from a new organics facility that was opened up, from a biotechnology company that expanded in terms of doing a lot of work on vertebrae and spine analysis. That fund has been very significant. I'm sure there are other regions in the province that would replicate that fund. I know it's often not easy just to do things in one area of the province. But from my perspective, if it were replicated in other areas, I think it would be fantastic. It's a great fund to work with, and it's money well spent.

On the HST front, yes, aside from the odd—from the service sector and the hoteliers I mentioned, we're hearing a bit about it. On the manufacturing front—and we've got some large manufacturers here. Invista is our nylon plant. We have the Bombardier R&D facility here; 250 people work there. Our large industry partners are telling us that the HST will make it more competitive for them to attract business from their head offices, particularly from the US. You have to remember these companies are competing not just with competitors, but they're competing with their own companies for their business, and I'd cite two or three large industries here as prime examples of that. So it is going to make us more competitive, both on the expansion of existing and on the attraction piece.

When we're doing work in the US—one thing that a company mentioned to us in Arizona is we don't talk enough about the competitive advantages of doing business in Canada and Ontario. That's why I come back to say it's not all about the cheque from the governor for $20 million to set up tomorrow and 100 employees on the payroll for a year, which in Ontario would be bonusing if the municipalities got involved with that, which is illegal. We need to do a better job talking about the long-range advantages and showing companies the 25-year opportunities as opposed to the quick fix.

Mr. Lou Rinaldi: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this morning and for your presentation.

FRONTENAC-KINGSTON COUNCIL ON AGING

The Vice-Chair (Mrs. Laura Albanese): Next I will call the Frontenac-Kingston Council on Aging. Please come forward. You will have 10 minutes for your presentation. That will be followed by five minutes of questioning. This rotation will go to the official opposition. If you could please state your name before you begin for the purposes of our recording Hansard, that would be appreciated. Thank you. You may begin.

Ms. Christine McMillan: First of all, I would like to introduce Brian Brophy, who is the president of the Frontenac-Kingston Council on Aging. We will be making a joint presentation. Although I chair the Councils on Aging Network of Ontario, this morning I'm speaking on behalf of a local council where I chair the issues and concerns committee.

The Council on Aging is a registered charity and we're dedicated to enhancing the quality of life of all seniors in our region. We are members of the Councils on Aging Network of Ontario and we represent all of the Councils on Aging on the Seniors' Secretariat Seniors Liaison Committee, and we support the submission that you will either have heard or will be hearing from that committee. Brian, over to you.

Mr. Brian Brophy: Okay. Recommendation A: We recognize this time of financial restraints in provincial expenditures. We therefore want to address the area where we believe tax dollars can be utilized better and in some instances can be saved.

Attaining lower health costs, recommendation 1: Additional incentive funding should be allocated to the aging-at-home strategy that funds innovative community-based support for older adults in staying healthy and living safely at home.

Ms. Christine McMillan: We recognize that almost 50% of your budget is spent on health care dollars and we recognize that things have to be done differently because we have an aging population. Unless we change the direction in which we provide health care and support for seniors, the future is just not going to be able to afford them. This is why we've found that the aging-at-home strategy in our community has made a tremendous difference in keeping people in their homes. There also needs to be more funding for supportive housing and supportive living, because those are the two things that keep people out of long-term care and keep them out of alternate-level-of-care beds.

Mr. Brian Brophy: Recommendation 2: The proposed long-term-care regulation must be amended to ensure accountability for the expenditures of government funding for care of residents, as well as to ensure that the assessed needs of each resident must be provided for and that a minimum number of hours per day for care is required based on the number of residents within each facility.

Ms. Christine McMillan: Our concern is that lack of accountability for how each of the nursing or long-term-care facilities spends their money could result in more health care costs. The removal of the requirement that care must be provided to meet "the assessed needs of each resident" eliminates the grounds for complaint to the ministry compliance office regarding care. Without any compliance regulation, inadequate care may result in costly treatment of bed sores and emergency room visits for broken bones resulting from falls, and this will happen mainly in poorly administered long-term-care facilities.

In addition, the proposed regulations ignored the requests by seniors' organizations, the nurses' association, the workers' unions and the Ontario Health Coalition that a minimum number of hours of care based on the number of residents must be negotiated. We have

seen in this community an excessive amount of government grants being spent on administration rather than care, and the government needs to have some way of monitoring those budgets.

Mr. Brian Brophy: Poverty issues for seniors and impact on health care costs, recommendation 3: The present poverty reduction strategy involves interministerial planning and initiatives to reduce child poverty. A similar strategy needs to be applied to reduce poverty among seniors.

Ms. Christine McMillan: It's not new to tell you that if you don't have much money and you're a senior, you have to choose between food and medications because much of the medications that are prescribed are not covered or they're over-the-counter medications. Either choice is going to result in health care costs.

We've made some progress over the years in meeting the needs of older Canadians, but according to the Conference Board of Canada report, poverty amongst the elderly increased from 2.9% in 1995 to 5.9% in 2005. And the other interesting thing that you should note is that Stats Canada also reports that over 30% of older Canadians get the GIS, which means they're living on $12,000 or less a year. That's 30% of all seniors, so it's a significant number.

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Dental care for seniors is another big issue. We applaud the government's initiative in providing dental care for children and young adults up to 18, but there is no dental care for seniors. It's something that we deal with in the community all the time—seniors who don't want to go out because they're missing two front teeth, because they have such severe gum disease they've lost their teeth. They can't afford the dental care.

The other thing is income security. While essential changes to income security is primarily a federal jurisdiction, we urge you to enter into discussion with your federal counterparts on the following issues, as there's no doubt that poverty impacts on provincial health care costs.

Many seniors whom we know, and we deal with quite a few, are not aware of the guaranteed income supplement or how it works, so they don't apply. Therefore, although they might be entitled, they're not receiving it. It should be possible to have immediate inclusion of those entitled to receive the GIS by basing it on their previous year's income rather than the current requirement of applying and providing qualifications each year.

Secondly, the GIS has not kept pace with current housing and living costs. The combined amount of the OAS and the GIS for those with no other income—by the way, that comes up to $12,000 a year—in old age should at least meet the level of the after-tax low-income cut-off, as defined by Stats Canada. Other changes to be considered are indexing the OAS and the GIS to wages and implementing a dropout clause to CPP to allow for caregiving, as they do for people dropping out because of children.

Mr. Brian Brophy: Equity issues for seniors, recommendation 4: That the government begins to work towards providing equity for seniors in the provision of support services across all 14 LHIN regions to reduce emergency room visits, utilization of alternate-level-of-care beds and the construction of long-term-care beds.

Ms. Christine McMillan: I think that the aging-at-home strategy is a good one, and it was the first step in establishing equity for seniors. But as an example, in this southeast region, we do not have one publicly funded supportive-housing unit or one publicly funded supported-living accommodation. That has severe impact for seniors who cannot afford retirement homes where they would benefit, so their only alternative is to apply for early admission to long-term care.

The Vice-Chair (Mrs. Laura Albanese): I just want to forewarn you, you have about two minutes left for your presentation.

Ms. Christine McMillan: Okay. Maybe we'll just leave it so that you can ask us questions.

Mr. Michael Prue: You get that anyway.

Mr. Norm Miller: You get five minutes to do that.

Ms. Christine McMillan: All right.

Mr. Norm Miller: You can use some of our five minutes for your—

Ms. Christine McMillan: Okay. Brian, away you go.

Mr. Brian Brophy: I'll try and speak quickly.

Elder abuse intervention, recommendation 4: That the government establish annualized funding for intervention services provided by local not-for-profit organizations to abused seniors in line with annualized funding provided to organizations serving children and women at risk of abuse.

Ms. Christine McMillan: For a couple of years, through John Gerretsen, we did get funding from year-end funding through the Ontario Network for the Prevention of Elder Abuse. The thing that concerned us is there didn't seem to be any criteria for who got how much money, so one year we got $15,000 and the next year we got $3,000; then it was discontinued. But it seems to me that in one year—we have peer-support workers. They're volunteers; they're trained seniors who talk to the seniors who are abused on the phone, and we connect them up with community services. We can't afford a coordinator for that service, and yet last year we dealt with over 284 cases of elder abuse in this community.

Mr. Brian Brophy: Harmonized sales tax, recommendation 5: To ease the financial impact of the HST on all low- and middle-income seniors of Ontario, we recommend that the government mitigate the impact of the 8% tax on utilities by initiating home energy rebates and relief grants.

Ms. Christine McMillan: I won't say much on that except to say that as seniors, we see sales taxes as a flat and unfair tax. We understand that there is a need to address the cascading tax that businesses and manufacturers face. We would have been happy to see you

remove that and increase income tax, because we feel it's fair; it's based on disposable income.

Mr. Brian Brophy: The impact of part-time work on future income security, recommendation 6: Amend the Employment Standards Act by removing the regulation that permits employers to exclude the provision of benefits to employees working less than 24 hours per week.

Ms. Christine McMillan: This is a loophole that employers are using. It used to just be unscrupulous ones, but now it's hospitals as well, and other businesses. The fact of the matter is that many companies are now having one full-time job filled by two or three part-time workers, and they have no benefits. So when they retire, it's going to be a tremendous burden on government budgets. We feel that that really has to be looked at.

Some 70% of all part-time workers in Ontario are women, so they're already—most women live below the poverty line.

Mr. Brian Brophy: Retirement security, recommendation 7: Pension security must be addressed so that more seniors and those who have paid into a company pension plan do not lose their pensions or their investment should bankruptcy of their employer occur.

Ms. Christine McMillan: There was something that happened a few years ago in Ontario and it was a good thing: The government established a wage fund so that those employees who were locked out and had unpaid wages immediately received the money. The government then went after the directors. There was legislation, labour law, which allowed the government to pursue the directors and reclaim the lost wages from them.

While the bankruptcy act is federal, this was a good way of getting around it and protecting workers. We'd like you to consider looking at some way of protecting people whose pensions are being cut while the main people in the companies walk off with huge payoffs.

How's our time?

The Vice-Chair (Mrs. Laura Albanese): There are three minutes left for questioning, but if you continue there won't be any. Mr. Barrett, it will be up to you. Do you want them to continue?

Mr. Toby Barrett: If I could ask a question?

Ms. Christine McMillan: Yes.

Mr. Toby Barrett: A quick question, and my colleague has a question as well.

We appreciate the nine recommendations here. The first several relate to enhanced access with respect to home care and resources for long-term care. The argument you make is the savings that this can have within our health care system. I was just wondering: Are you successfully able to communicate and coordinate this kind of information when you come up with these recommendations? Are you able to deal with hospitals, LHINs and long-term-care facilities to get information to pull this together, let alone that you're balancing provincial and federal as well?

Ms. Christine McMillan: Yes. The South East LHIN—I sit on a committee for emergency rooms and alternate levels of care, trying to reduce the cost. One of the issues that we're finding is that because we don't have supportive living or supportive housing—and there are very few incentives for that kind of program—it's pretty hard for us to cut alternate-levels-of-care beds when there's no place for them to go when they get out. Hospitals don't want to release people who are at risk, and community care access doesn't have sufficient funds. Because community care access centres don't have sufficient funds, it means that there have been a plethora of small agencies that are running around, trying to do the work of community care access for people who can pay. Now they're coming back to the LHINs asking for coordination money.

It seems to me that we're building a messy system here. We need to really take a look at funding the community care access centres appropriately so they become the one-window place where you go when you need help, rather than running around to a number of different agencies.

Mr. Toby Barrett: Okay.

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The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Peter Shurman: Okay; we'll make this one quick. The HST, which you kind of brushed on: It seems to me, and has from the outset of the implementation of this legislation, that the HST would impact seniors probably more than anybody else. Most seniors are on fixed incomes, and most don't have that much income to begin with, so the tax-credit aspect or the tax-reduction aspect doesn't really impact much. Is that a reasonable characterization?

Ms. Christine McMillan: Yes. Let me just expand on that. People who have an income of $12,000—we have a waiting list of 600 for apartments geared to income—are living in very cheap apartment buildings, maybe paying $500. They have to pay utilities. That means they're going to have to pay 8%. We know of seniors who don't turn on their lights, they have candles at night, and they eat cold food—and they can't have another 8%.

Mr. Peter Shurman: Thank you very much.

Mr. Brian Brophy: If I can just—

The Vice-Chair (Mrs. Laura Albanese): I'm sorry; the time has expired. I apologize. We already went over with the time, and we're on a tight schedule.

Mr. Brian Brophy: You have my thanks.

ODSP ACTION COALITION

The Vice-Chair (Mrs. Laura Albanese): I would now call ODSP Action. Good morning. You will have 10 minutes for your presentation. I would like to ask you to state your name before you begin, for the purposes of our recording Hansard.

Ms. Terrie Meehan: Thank you. My name is Terrie Meehan, and I'm the co-chair of the—

Interjection.

Ms. Terrie Meehan: Pardon?

The Vice-Chair (Mrs. Laura Albanese): You may need to get a glass of water before you begin. Please go ahead.

Ms. Terrie Meehan: Okay, thanks. I've done this way too many times before, but every time I'm nervous; my apologies. We have a package that one of our agency people helped me get all tidy. You might want to follow along with that because, I'm warning you, I have a speech problem also, which nervousness doesn't help.

The Vice-Chair (Mrs. Laura Albanese): No problem. We will follow this; there's no need to be nervous. Whenever you're ready, you may begin.

Ms. Terrie Meehan: Thank you. It doesn't matter if there's a need; it's there. Stop laughing at me, Michael. I'll think of reasons to laugh at you, as usual.

Anyway, my name is Terrie Meehan, still. I'm the co-chair of the public awareness and advocacy subcommittee of ODSP Action. By the luck of the draw or the unluck of the draw, I was on my way home from Toronto, and I stopped in Kingston to stay with one of our members and came here for entertainment. Those of us on ODSP have to get our vacations the way we can get them.

Introduction: The ODSP Action Coalition includes people with disabilities and more than 100 community disability agencies, provincial organizations, anti-poverty groups and legal clinics across Ontario committed to pushing for improvements to the Ontario disability support program, so that people with disabilities can live with justice and dignity. Our group has been active since 2002, providing input to the Ministry of Community and Social Services on issues of access to ODSP and employment supports, among others; sharing information about ODSP benefits with recipients and agencies; and advocating for changes which will promote the health and independence of people with disabilities who apply for and/or receive ODSP.

Priorities for the 2010 Ontario budget: We are mindful that the government has stated that their key priorities are job creation, health care, education, strong fiscal management and economic growth. The government has also committed to the poverty reduction strategy. Rather than being a competing priority, the poverty reduction strategy should be seen as an integral part of all the other priorities.

Job creation in our current economic situation is clearly of great importance. It is also necessary to remove the barriers to employment that occur within the social assistance system and in other government and social structures which get in the way of access to employment. Maintaining and improving health care means ensuring that the lowest-income families and people with disabilities have the resources needed to maintain their health and reduce later costs to the system. A commitment to education also means ensuring that children and adults in low-income families have genuine access to high-quality education in all phases of life. Prudent fiscal management means ensuring that real value for money is achieved in Ontario's social programs, without resources being wasted enforcing "stupid rules"—some of which are suggested in your package—which are often counterproductive to the goal of lifting people out of poverty.

Social assistance review: The government promised, as part of the poverty reduction strategy, to conduct a review of the social assistance programs. We are pleased that the Social Assistance Review Advisory Council has been appointed to suggest the scope and mandate of the review, as well as recommending some quick changes that could be done in the short term to remove some of the disincentives and barriers found in the current rules. The coalition urges the Standing Committee on Finance and Economic Affairs to recommend to the government that the social assistance review be structured so as to gather meaningful input from all parts of Ontario—rural and urban, north and south—and to include people who represent all the diversities affected by the social assistance system, particularly those who have recent lived experience of OW and ODSP. The goal of the review should be to transform the current programs into a system that moves people out of poverty by offering meaningful and appropriate resources and programs. We submit, as a guideline for the principles that should permeate the transformation of social assistance, a disability declaration—it's also in your package—that the coalition has developed using key human rights articulated in the UN Convention on the Rights of People with Disabilities.

Adequacy of income supports: If Ontario's income programs for low-income people and for people with disabilities are going to be meaningfully transformed, the issue of adequacy must be addressed. The greatest impediment to self-reliance that exists in the social assistance legislation is the low level of income that people are forced to survive on. When a person cannot feed herself or her family a decent diet, when a person cannot afford transportation to volunteer or participate in the community or even to shop at a grocery store with a sale on, when a person's physical and mental health deteriorate due to the stress of trying to survive in these conditions for years, how can they ever lift themselves out of poverty into independence? The government should therefore demonstrate that it is serious about beginning real transformation of the social assistance system by immediately adding a minimum of $100 as a healthy food supplement to the basic needs allowance for each adult and by committing to raise social assistance rates to the level where they cover the average cost of shelter, a nutritious diet, transportation, clothing and all other personal needs, including the additional costs of having a disability.

Short-term social assistance rule changes: The government has also asked the Social Assistance Review Advisory Council to provide it with immediate advice on quick changes that could be made to OW and ODSP that would not require lengthy study and time frames to implement. Our coalition has been discussing issues which create barriers and disincentives for some time,

and we were able to quickly send a list of recommendations to SARAC, which is in the package I mentioned earlier. We suggest that it is appropriate for the Standing Committee on Finance and Economic Affairs to advise the finance minister to provide the resources necessary to implement these changes in the 2010 budget.

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A few examples of ODSP rules that could be quickly changed are: Remove the double disabled cap. When spouses are both disabled, the ODSP basic needs chart recognizes that both have costs related to their disability and logically provides an amount double that for a single person with a disability. However, another section of the regulation sets a maximum amount for any couple which is lower than their full basic needs and shelter allowances. This affects different couples unequally, depending on their shelter costs and whether they have children. This ODSP rule should be rescinded to provide fairness for couples who are both persons with a disability.

Medically necessary transportation: ODSP recipients' transportation costs are supposed to be covered when they need to attend medical appointments with treatment. However, if they provide their own transportation or have a friend drive them, the ministry will only pay 18 cents per kilometre. This clearly does not cover the costs of operating a vehicle. This is counterproductive cost-saving because it sometimes discourages recipients from getting necessary treatment, which could result in greater health care costs in the long run. At times, recipients have taken and been reimbursed for taxicabs, which cost much more, because they could no longer get a relative or friend to drive them at this reimbursement rate. Raising the payment for medical transportation to the same as that provided under the northern health travel grant would not require a regulation change, merely a policy guideline.

Earnings exemptions: People with disabilities who are able to work have their income support reduced by 50% of their earnings. This is often made worse by the additional high tax-back rate that is applied to their earnings by other programs such as social housing. The government could take the first, quickest step in addressing the disincentive created by these high clawback rates by allowing ODSP single recipients to retain the first $500 in earnings with no clawback of benefits—

The Vice-Chair (Mrs. Laura Albanese): You have about 30 seconds left.

Mr. Michael Prue: I cede whatever's necessary.

The Vice-Chair (Mrs. Laura Albanese): Okay. That's fine. Please proceed.

Ms. Terrie Meehan: The exemption for couples should then be $1,000. This amount is equal to the amount that ODSP recipients are allowed to receive per year in gifts from family or friends without a reduction in benefits. Basically in that one you're penalized for working.

Loans are not income. Only in social assistance are payments that must be repaid considered to be income. This results in absurd situations where, if a recipient knows someone who can afford to help her out by gift, that is acceptable, but if she has to turn to a less wealthy person who requires repayment, that amount is treated as income to be deducted from ODSP benefits. This rule is also interpreted so that cash advances are income to be deducted, while purchases on a credit card are not considered income. ODSP and OW regulations should be changed to ensure that loans are not treated as income. Please refer to our proposal again.

Our conclusion: We ask the Standing Committee on Finance and Economic Affairs to recommend to the government that they treat as a priority the transformation of the social assistance system to one that provides meaningful opportunities for people to rise out of poverty. The first step is to make changes that can be quickly implemented to the current system. The next is to provide resources for a thorough and genuinely consultative review. Ultimately, whatever shape the income programs are given, whatever rules govern their operation, the real test will be, do they lift people out of poverty into healthy and meaningful participation in our society?

Thank you for the opportunity to address your committee and thank you, Michael, for ceding some time.

The Vice-Chair (Mrs. Laura Albanese): Thank you for presenting. If you have more questions—

Mr. Michael Prue: About two minutes?

The Vice-Chair (Mrs. Laura Albanese): You have three minutes.

Mr. Michael Prue: Oh, three minutes. Okay. You have made some excellent recommendations here and you did a very good job and you weren't nervous at all.

Ms. Terrie Meehan: I was nervous, but thank you.

Mr. Michael Prue: Okay. One of the things that has bothered me the longest, and I've spoken many times in the Legislature about this, is the clawback from people who are on ODSP who are able to find some form of small job, and they take half of their money off them. Would you have any idea how many people, through your organizations, are able to work and have this money clawed back? Are there hundreds or thousands of them? Are there tens of thousands?

Ms. Terrie Meehan: If you don't mind, I'll take your question to our people who actually do the stats.

Mr. Michael Prue: Okay, that's fine.

Ms. Terrie Meehan: That's not my thing. It's not in my department, which I'm sure you folks have heard as well and said as well.

Mr. Michael Prue: Yes, I've often said as well, because people who are disabled—almost all of them live in poverty. For those few who are able to get work, I have suggested not $6,000, like you have, but $8,000 should be allowed to be kept. The reason I picked that number is, along with the $12,200 a year, which is the maximum ODSP, that would take them up to $20,000 and actually allow them to live above the poverty level.

Does your group—you've suggested $6,000, and I would accept that $6,000 is better than nothing. Is getting above the poverty line important for people on disability?

Ms. Terrie Meehan: I believe it's important for every human being to have adequate food and shelter—or sorry, income for food and shelter. So, yes, it's important for those with disabilities to have adequate means to be able to eat and live and also for those who require medications and medical supplies to not have to choose between and possibly put our lives in danger.

Mr. Michael Prue: You also make another recommendation here that the ministry will only pay 18 cents a kilometre to transport someone with a disability to an appointment. Just so that you know for future ones, the ministry pays MPPs 44 cents a kilometre to travel around and do our business.

Ms. Terrie Meehan: Why do you think we looked at that? We're government workers in a sense, too, and our vehicles usually need more repairs, because they're not as nice.

Mr. Michael Prue: Okay, so how much—you didn't make any suggestions.

The Vice-Chair (Mrs. Laura Albanese): Sorry, but the time has almost expired.

Mr. Michael Prue: Okay. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation, and we're now recessed until 1 o'clock.

Ms. Terrie Meehan: Can I make one request, though? When my friend comes later to help me figure out where else I can access in Kingston, I would like to introduce her to a few of you if you're available. I know I'm taking over time, and I beg your leniency. Those who heard her presentation last year—it's my friend in Kingston who was barely holding on to having a job with a chair. Due to supports being eroded in the Kingston Access Bus—I just need to share this because it makes me so angry—the job that she loves, that she could barely hold on to—she's back on ODSP.

The Vice-Chair (Mrs. Laura Albanese): We'll hear from her this afternoon, and—

Ms. Terrie Meehan: No, no. She doesn't have a presentation. She's been kind enough to be my travel guide so I could—

The Vice-Chair (Mrs. Laura Albanese): Oh, I see.

Ms. Terrie Meehan: —access what was accessible in Kingston.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. We are recessed until 1 o'clock.

The committee recessed from 1147 to 1300.

EXTENDICARE KINGSTON

The Vice-Chair (Mrs. Laura Albanese): Good afternoon. The Standing Committee on Finance and Economic Affairs will come to order for our afternoon session.

Our first submission will come from Extendicare Kingston. I invite you to come forward. You will have 10 minutes for your presentation, and that could be followed by up to five minutes of questioning. Please state your name for the purposes of our recording Hansard before you begin.

Ms. Marilyn Benn: Thank you very much, everybody. My name is Marilyn Benn. I'm the administrator of Extendicare Kingston.

Extendicare Kingston is one of the largest long-term-care providers in Ontario and is a member of the Ontario Long Term Care Association.

I do have handouts, which you have, but I'm not exactly following the handout, in case you're wondering.

Our home provides care and services to 150 residents in the Kingston community, and we have been doing that for 35 years.

Resident care needs have certainly changed over the years. Residents come to us with complex medical diagnoses, and long-term-care staff are becoming experts in wound care, infection control, diabetes and rehabilitation therapy, just to name a few.

We need to be sure that resident care and service is not part of the deficit solution for 2010. We need to be able to retain our PSWs and registered nurses.

I'm here today to request your support to help ensure that the necessary deficit management measures do not result in reductions in the care and service levels that residents need and my home's ability to continue to contribute to better access to the health care services of the community. We're an important partner in the community, along with hospitals and the CCACs. Our homes are already under-resourced. I'm not here today to ask for an increase in funding. I'm here to ask that you keep long-term care whole by ensuring that we maintain past funding increases and that we are supported for any new requirements.

We have heard that health and education are to be protected, and of course we're very pleased about that. However, even maintaining present funding levels still means reduced service levels and capacity as we struggle to meet increased regulations imposed on us.

There has been a continued erosion of the funding for accommodation services in our homes. These services include infection control, laundry, dietary services and housekeeping. These directly impact delivery capacity and quality of life.

In 2009, the Ministry of Health and Long-Term Care recognized the risk of this annual erosion and funded $43.5 million in their budget to help stabilize existing support service levels. However, this funding was identified as one-time, and we are glad to see the Ministry of Health has included it in its 2010 budget submission to finance. Loss of this funding would have a negative impact on the services we deliver. As well, if the annual adjustments to direct care funding do not continue, this will impact our ability to retain nurses and personal support workers, as well as other direct care staff.

In the past years, direct care funding has increased 2.5% to 3.5% annually, which enables us to absorb the

wage increases from our union contracts. We need to be sure that this continues. In the absence of this adjustment, we would have no choice but to adjust staffing levels accordingly. This would also affect the type of residents we would be able to admit: Those requiring additional resources might have to remain in hospital.

In addition, our sector is facing new requirements which have significant costs if not fully funded. The harmonized sales tax will increase total net operating costs for 360 publicly funded, privately operated homes by $12.2 million.

The impact on not-for-profit, charitable and municipal homes is cushioned by the MUSH sector rebates, but these are not available to Extendicare homes or to the other 360 privately operated homes. Input tax credits and corporate tax changes have already been taken into account before identifying the $12.2-million figure. The majority of the $12.2-million additional cost burden to the sector comes from the fact that the HST will apply as a new tax on the services to the homes—for example, laundry and housekeeping—as well as on other items such as utilities. These services are not eligible for input tax credits. Other items such as utilities were previously PST exempt but will now attract the full HST. There is also a significant number of affected homes which the income tax change will not affect because of their business structure.

As well, the draft regulations under the new Long-Term Care Homes Act contemplate additional direct and indirect costs. These include $34 million to meet the new requirements regarding food service workers and various indirect costs to support transitioning to the new operating and regulatory framework.

So what I would request in your 2010-2011 budget is to maintain the $43.5 million to the accommodation funding that was given to us in 2009, continue with the annual adjustments to direct care funding to stabilize nursing and care staff levels, and avoid imposing new requirements like the HST and regulations unless these costs are fully funded.

Our community, residents and their families expect to find many things in long-term care, things that support a quality caring and living experience for those who need it most. It is an honour for us to be able to look after those who have contributed so much to the Canadian way of life. It is up to us to appreciate, respect and care for our seniors with dignity. We need to get our potential residents out of hospitals and into the caring home environment. We need to reduce the number of visits our residents make to emergency departments. We need to recognize what a valuable contributor long-term care is to the health care system and ensure there is no erosion to the small funding gains that have been made over the last few years.

I thank you for your time today.

The Acting Chair (Mr. Kevin Daniel Flynn): Thank you, Marilyn. You've left lots of time for questions. Mr. Arthurs.

Mr. Wayne Arthurs: Thank you, Mr. Chairman. Marilyn, thanks so much for being here this afternoon. Let me express—I think I can do this, probably, on behalf of all the members around this table and in the Legislature—to you and the staff who work with you, for the work you do for those Ontario residents who are in long-term-care homes, particularly in Extendicare, since you're here on their behalf, our acknowledgement and appreciation for that work. We know it's challenging, we know it's demanding, and we know the demographics of this province are only going to continue to put additional strains, stresses and/or demands on this sector, broadly.

Your ask, in part, although it's for no substantive new money, is a continuation of one-time funding. It is a continuation of annual increases in the range of 2.5% to 3% and consideration for other regulatory and/or tax structures that would have an impact on you. So it's not quite revenue-neutral, but it's not an ask of substantial new money beyond what you've been experiencing in the recent past.

The minister is going to be faced, obviously, with difficult financial choices. The Ministry of Health obviously sees the priority from their perspective in making the recommendation that they have—as you've articulated—in the context of the continuing funding that was provided on a one-time basis.

Tell me if you would, in the time we have—we want to have it on our record as well. There are two or three areas you mention in your presentation—and you repeat them a couple of times—which I'm going to just call the priorities, based on the choices you would have to make if, in effect, additional new funding in the quantums that you've spoken to were not to be forthcoming. I suspect it will be consistent across the sector to some extent. You mention laundry, dietary and housekeeping as areas that you would have to look at reducing if this additional funding that you're requesting was not in place. What are the types of changes that would occur in those areas if you didn't have the additional resources to be able to completely fulfill the mandate you've set out?

Ms. Marilyn Benn: One of the biggest things in Ontario today is all of the superbugs and infections that are in hospitals: H1N1, gastro, and stuff that goes around with the elderly. Housekeeping and laundry are major, major factors in infection control in long-term care. Of course, once someone gets ill, you have all of the nursing things that you have to put in place to look after that. I think we've often looked at making sure we had enough funding—and I'm not saying we have enough. We have looked at nursing care, but we have to realize that it's the support systems that have to help with the nursing care. So infection control is the big concern.

Mr. Wayne Arthurs: You mentioned the housekeeping and laundry, particularly as it relates to infection control, as a primary matter of concern. We've heard that both from your sector and the hospital sector. You also mentioned dietary as an area that one would have to look at. Do you want to comment a little more fully on that?

Ms. Marilyn Benn: There are new regulations coming out for long-term care in terms of dietary and the qualifications of the staff who work in dietary. Previously, they just had a food handler's course—I'm talking about dietary aides, not cooks—that was provided through health units. You could hire someone to come in and do it, and it was just a few days long. Now it's a fairly substantial course. It's going to be required in all long-term-care facilities. Those are new requirements, and they're going to be very costly.

The other thing is that there are only a few community colleges that have now started to provide the course, to begin with. Just getting our staff trained is going to be—

Mr. Wayne Arthurs: The additional funding that flowed last year, approximately $43.5 million: What would be the best experiences that you have had with the funding that came to Extendicare as a result of the additional funding?

The Vice-Chair (Mrs. Laura Albanese): You have 30 seconds to answer.

Mr. Wayne Arthurs: How was it used most effectively?

Ms. Marilyn Benn: We used it with more housekeeping hours, better products, better cleaning procedures, training our staff on the best practices in Ontario for cleaning—because even housecleaning changes. There are best practices and there are solutions and whatnot. So we actually used that to increase the knowledge of our staff and the training procedures that went into place.

Mr. Wayne Arthurs: So it was directed to infection control?

Ms. Marilyn Benn: Yes.

Mr. Wayne Arthurs: Thank you.

The Vice-Chair (Mrs. Laura Albanese): The time has expired. Thank you very much for your presentation.

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OTTAWA POVERTY REDUCTION NETWORK

The Vice-Chair (Mrs. Laura Albanese): I would now call the Ottawa Poverty Reduction Network. Is anyone here from—

Ms. Linda Lalonde: We're coming.

The Vice-Chair (Mrs. Laura Albanese): Oh, yes. Okay. You will have 10 minutes for your presentation and there could be up to five minutes of questioning after that. Please identify yourself before starting for the purposes of our recording Hansard.

Ms. Linda Lalonde: Yes. My name is Linda Lalonde and I'm the co-chair of the Ottawa Poverty Reduction Network, le Réseau pour la réduction de la pauvreté d'Ottawa. This is Daniel Oickle, who's a member of our network.

We're a broad-based community group whose members include community organizations, agencies and individuals who are working together for the elimination of poverty in our community. We were the driving force behind the initiation of the city of Ottawa's municipal poverty reduction strategy and are continuing to participate in that community-city collaboration as members of the steering committee. While we have a local focus, we also follow provincial and federal issues that are going to impact on poverty reduction.

We were very glad to see the province's continued commitment to implementing the poverty reduction strategy at the provincial level because it would have been very easy—and we understand how easy it would have been—to sacrifice it to the economic situation. So we want to thank you for that.

We met recently with the Minister of Community and Social Services and we were pleased to hear the government's commitment that the deficit will not be paid off by the poor of this province. We still have a long way to go to bring our most vulnerable residents to a point where they truly share in the benefits of living in this great province. For those of us on the front lines, it is heartening to see the support for poverty reduction at the Legislature.

"Housing is fundamental to the economic, social and physical well-being of Ottawa's residents and communities. Housing is a basic human need, and is the central place from which we build our lives, nurture ourselves and our children and engage in our communities." That's a quote from Ottawa's Housing Strategy. The only change that we would make to that statement is that we see housing not just as a basic need but as a basic human right.

In December 2008, a year ago, we presented to this committee's consultations. Our response to your question, "What are your top three priorities?" was, "Housing, housing and housing." We still haven't changed that position. First of all, in housing, the budget should contain an investment in the construction of 5,000 new affordable housing units across the province to meet the demonstrated needs. The waiting lists for existing housing are unconscionable. The commitment to house Ontario residents needs to be made with or without the participation of the federal government. This would also have the benefit of continued stimulus to the construction industry.

In order to support people who require some more intensive supports to be able to live independently, the province should invest in the construction of supportive housing units over the next three years that would accommodate 4,000 individuals. Since one supportive housing unit usually houses two to four people, this means between 1,500 and 2,000 units. Provision of supportive housing can keep a resident out of the hospital, the shelter system and the judicial system, and pays for itself very quickly. It costs about $1,500 a month to keep someone in supportive housing and $1,500 a day or more to keep them in hospital.

Secondly, we would like to see an additional investment of at least $500 million in the maintenance of existing social housing. It's penny-wise, pound-foolish to

allow the continued disintegration of our existing stock of social housing. The longer you wait to repair it, the more expensive it becomes and, in some cases, it may be irreparable.

Third, we would like to see a review of existing shelter maximums in Ontario Works and the Ontario disability support program, and the indexation of this component of OW/ODSP to the actual market rents, as determined in the annual CMHC rental survey. Shelter costs for habitable accommodation vary greatly depending on where you live in the province. For many families who don't live in social housing, their shelter costs eat into their food budgets and impact on their ability to lead healthy lives. We think that giving people adequate shelter allowances would allow many Ontario residents to pay their rent and feed both their kids and themselves.

The increased property tax credit for seniors allows some seniors to remain in their homes and increases the disposable income of those who are eligible for it. We would like to see its implementation accelerated and consideration given to making it a percentage of total property tax paid rather than a fixed amount.

On the income side, we would like to see the increases to the minimum wage implemented more quickly. Instead of a 75-cent-per-hour increase each spring, we would like to see a 50-cent increase twice a year, in the spring and the fall, until the minimum wage reaches the point where it equals the LICO levels for a single person in Ontario. From that point on, we would like to see the increases in the minimum wage tied to increases in LICO and implemented twice a year.

The purchasing power of social assistance recipients has fallen over the years because the rates have failed to keep pace with inflation. As well, the cuts to social assistance rates in 1995 have reduced the base so that even the increases which have been given in the last few years do not meet the needs of people to cover basic expenses. Beginning with this budget, the social assistance rates should be increased by the cost of inflation plus 1% until they reach LICO levels. Once they reach LICO, they should be increased annually by the same percentage as the average Ontario civil service salary.

Child care: Integrating child care for four- and five-year-olds into the schools will help many families. Child care centres and home child care providers will see some children move to school-based programs, which will free up some spaces for other children. It will not, however, make much of a dent in the 7,000-plus child care waiting list in Ottawa, of which 2,000 need subsidized spaces. Some of the children who will be in the school-based spaces are not currently in a space now and are not on the waiting lists.

In the initial period of transition for kindergarten kids into school-based programs, there's a potential for a mismatch between the location and age group of the emptied spaces and the new children needing to come into those centres from the waiting lists. This budget should provide bridge funding to carry centres through this adjustment and capital funds to renovate centres and provide equipment for a different age group.

We're very glad to see your support for the increased community use of schools and would like to see that expanded in this budget. The province should amend the Education Act to outlaw all fees and charges in both elementary and secondary schools. This would include fees for participation in sports teams as well as in-class fees. Children should never be dependent on charity and/or excluded from components of the education system. In this budget, funds should be provided to schools to equalize programs and services so the same education is offered regardless of where in Ontario the child lives or the socio-economic status of the school's neighbourhood.

The province should institute an annual refundable $500 tax credit for recreation registration costs and other fees for each member of households with a taxable income either below LICO or under a certain amount based on family size. This credit would be available to both adults and children. An alternate and better way to achieve increased participation by low-income households in recreation activities would be to provide vouchers to eligible households that could be applied directly towards the cost of programs. This has the advantage of not requiring the family to have the upfront funds to cover the expense and then wait to have it reimbursed in the income tax. The funds to support this tax credit could come from the health budget since we know that increasing physical activity has the effect of reducing health costs.

Mr. Daniel Oickle: In transit, we would like to see a refundable 8.5% tax credit for transit passes and tickets with proof of purchase. Again, this would be available to households with taxable incomes below a certain level. As well as encouraging transit use, this would have environmental and financial benefits for the province. We would also like to see the equivalent 8.5% rebate to community organizations and agencies that provide tickets and passes to their community members to allow them to participate in programs and services, as well as attend medical appointments and undertake job searches.

We thank you for being open to community input into the budget and we look forward to continuing to work with the province.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation this afternoon. Mr. Shurman.

Mr. Peter Shurman: Thank you, on our behalf. It was an interesting presentation, and I wish that we could just say, "We're going to tell the finance minister to put all of this stuff in and you guys can go home and rest assured." We both know that that's not going to happen. So you don't want to make any bets on 5,000 brand new affordable housing units this year, because in some quick math we were doing over here, if that happened, and the allocation was made at, say, $120,000 a door, we're talking about 600 million new dollars.

Given that that's the case, I'd like you to describe the effect—in fact, I'd like you to describe the effect of,

really, no net new allocations for affordable housing this year, because this is a $25-billion-deficit year, and I wouldn't want to bet on seeing an awful lot in the affordable housing area.

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Ms. Linda Lalonde: You're asking what the effect is on the community of not having that housing?

Mr. Peter Shurman: What's the effect on the community? The reason I ask is, you were talking about hugely growing lists—big volumes of people in waiting—and we know that's true everywhere in the province.

Ms. Linda Lalonde: Just to give you a quick impact, the city of Ottawa has just wrapped up its budget yesterday. Included in that budget was an increase of $2.453 million to shelter costs alone. In 1990, the city of Ottawa's total bill for shelters was $2 million, and this year the increase in shelters is more than the entire budget was 20 years ago. If you took that $2.4 million and built houses with it instead of putting people in temporary housing, that would turn around the lives of, what, 20 families? I'm just doing quick math.

What's happening is, we have families who are living in substandard housing. We have families whose children have been apprehended by the children's aid, which, of course, is increasing the bill in another pocket of government. One of the ironies of not providing housing is that you're—

Mr. Peter Shurman: What you're saying is that the shelter costs, which are really short-term—one would hope they're short-term, anyway—are penny-wise and pound-foolish when you consider the fact that you could give somebody permanent dignity by spending the money another way.

Ms. Linda Lalonde: Exactly.

Mr. Peter Shurman: A reasonable point of view.

This is a question I've asked one or two times in other locations we've been at this week. It comes from left field, but I think it's a legitimate question. The province is embarking on about $1.5 billion in spending on junior kindergarten. Some people think it's a great idea; we think it's not a great idea at this time. I wonder what you'd think, if you were given the opportunity to talk to the Premier and tell him what you think about the expenditures on eliminating poverty versus educating children at age four.

Ms. Linda Lalonde: Some of that money is actually going to go to poor children. For some families, what that will mean is that the parent or parents will be able to work, because—

Mr. Peter Shurman: That's more like daycare, though, than junior kindergarten, isn't it?

Ms. Linda Lalonde: The new junior kindergarten program is, essentially, a combination of daycare and education. To have a family that can have a child attended to from 8 in the morning until 5 at night means that, in some of those families, the parent or parents will be able to go out and work.

Because it's only being implemented in certain localities, what's happening is—in Ottawa, we have families who are literally moving into the catchment area of schools that have that program because it will allow them to work.

Mr. Peter Shurman: Okay.

Ms. Linda Lalonde: So that's a poverty reduction method. It may not be the most efficient because it's a scattergun kind of approach. Every kid who lives in the catchment area of X school is eligible for it, and some of those families may or may not need it as much as other families.

Mr. Peter Shurman: I think that's what I was getting at.

The Vice-Chair (Mrs. Laura Albanese): One minute left.

Mr. Peter Shurman: One minute? I'll ask you a quick one—do you want to ask a question?

Mr. Toby Barrett: Go ahead.

Mr. Peter Shurman: Okay. I'll just finish up, then. In your final piece of the presentation, you presented a bit of a list, and you said you wanted an expansion of spending in recreation and in child care; you wanted significant increases on a go-forward basis in the minimum wage; you wanted transit credits. I realize that's a laundry list, and I can see by your demeanour that you know that it doesn't all come but maybe if you ask for all of it you'll get some of it. What's the real priority there?

Ms. Linda Lalonde: I think the two things that we would emphasize the strongest—number one is housing, because housing is such an underlying thing to everything you do. Your kids can't be registered in school and attend school properly if they're not housed. It's hard to get a doctor if you don't have an address. It's hard to involve yourself in community programs, in counselling etc. if you don't have a place to live. It's very difficult to get a daycare place if you don't know where you're living next Thursday, and so on. So housing is the number one. The second one, I think, would be income.

Mr. Peter Shurman: Thank you very much. I appreciate your being here.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your time.

SOUTHERN ONTARIO LIBRARY SERVICE

The Vice-Chair (Mrs. Laura Albanese): We now call on the Southern Ontario Library Service. Good afternoon. Again, you will have 10 minutes for your presentation, and that could be followed by up to five minutes of questioning. If you could please state your name before you begin.

Ms. Jackie Houde: Thank you. My name is Jackie Houde and I'm a member of the Southern Ontario Library Service board, and have been for the last five years.

You probably know that SOLS is a transfer payment recipient established to deliver programs and services on

behalf of the Ministry of Culture. We hear that we now have a new minister, who will also do tourism.

SOLS's mission is that the people of Ontario will have equitable access to library services. If you come from a large city, you're saying, "Well, big deal. Everyone has a library and everyone has access." Not so. For small and medium-sized municipalities, that is not always the case.

Our services are provided to the 192 library systems in southern Ontario, which in turn operate 683 branches and serve almost nine million people.

How do we support government priorities? Well, libraries do support your government's priorities in several ways. In education: Libraries serve young children. The library is where they first learn to read, and I know some of you are saying, "Not so." Yes, it is so. We've done surveys. Oftentimes when parents bring kids to story time at the library two or three times a week, the children pick up an interest in books and eventually, they learn. If you have children, you know that you read stories to them. Then they start asking questions and they recognize words. Before you know it, they know the stories by heart, and this encourages reading. The basis of their future literacy skills is such, and also their educational achievement. What we want to promote in children is definitely for them to be lifelong learners. You know that children who read extensively will definitely be there.

Libraries also serve students. The public library is where they go in person or online, because this is such a trend nowadays. They go after school, they go evenings and they go on weekends to study and access resources. I know that a lot of the libraries have homework stations for kids, and it's really helpful. Not everyone has access to a computer. We tend to think that every household has one or two or three computers—not so. Many families cannot afford them and cannot afford the services for online access.

Libraries also assist job seekers. I know at our own library, they come in and you know that because they have commercial databases, so much information is right there at their fingertips, things that they cannot access through regular businesses or offices. The public library serves to upgrade skills, search for suitable jobs and prepare resumés and apply for jobs. There's always someone at the library who can help you find whatever you need.

Libraries also support businesses, especially small businesses which, again, cannot afford the services that larger centres can.

Libraries are definitely vibrant communities. I know at our own library we have film night. We have groups that come in and speak on different subjects. We also have a—I think they call it the lunch bag book club. They come in once every two weeks and bring their lunch and bring their books and discuss books.

How does SOLS assist these libraries? Basically, by expanding the materials and resources libraries make available to their communities. We have what we call ILS, the interlibrary loan services. Every year we have 226,000 items that we ship to different libraries. If you're a big library, like in Ottawa or Toronto, you probably would not use ILL, but if you're in Winchester, Lancaster or Amherstview, then you definitely would. If you go in to your library and they don't have the book, they go through the process and within a week, 10 days, you have the book in your hands.

Supporting equitable access to electronic resources: Through grants from the Ministry of Culture, all Ontarians have free access to commercial databases through their libraries. SOLS's services bridge the gap between the availability of the licences and the public libraries' awareness of and ability to use them. SOLS provides training sessions and is launching a website called Compass to support the use and marketing of the products.

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Now, if some of you know about libraries, go to your library or have been on your library board, you do know that SOLS has had an EXCEL program, an Apple program. This is like a step program for library workers to achieve more skills. We do, then, support the continuing education of the library staff. SOLS provides distance education opportunities to ensure that all Ontarians have access to skilled, well-informed and up-to-date staff in their communities.

We deliver initiatives of the Ministry of Culture such as the Internet connectivity grant, through which 216 libraries throughout the province receive high-speed connectivity, and the First Nations consulting services, which targets the specific needs of First Nations libraries. We also organize economies-of-scale purchases; I think the consortium is called COOL. That includes collections of large print, talking books, ebooks, audio books and databases.

What are our challenges? We have had many challenges in the last five years. Ten years ago is when we started to be flatlined or we had cuts to our operating grant. As a result of the budget cut in 2005-06—I think it was $700,000—our operating grant dropped 17% to $2,755,905, where it still is today. The annual impact of inflation and rising costs for SOLS is currently $60,000. At $2.5 million, SOLS' expenditures for salaries and benefits represent 91% of our operating grant. As a result, any strategy to mitigate the impact of flatlined grants coupled with inflation must involve reductions to staff and reductions to our core services.

Over the last 10 years, total FTEs, full-time equivalents, have dwindled by 28% from 47.20 to 33.98. Our consulting support for small libraries has been particularly hard hit, dropping over 52% in five years, from 14.5 FTEs in 2004-05 to seven FTEs in 2009-10. In addition, SOLS receives a special grant from the Ministry of Culture to support First Nation public libraries. The grant is currently set at $106,501 per year, which will cover the expenses of the program in 2009-10 but will definitely fall short after that.

All told, by 2010-11 we will have an operating deficit of $189,453, which is definitely forecast to escalate to

$1,160,460 by 2014-15. To address this anticipated shortfall, we will need an increase to our base operating grant of approximately $300,000 beginning in 2011-12. That will definitely stabilize our core services.

We would like to go beyond that, though. At the same time we have been losing positions, small and First Nations libraries are unable to meet basic standards for library service and face new demands for providing electronic resources. To assist libraries to meet these challenges and ensure equitable access to library services for all Ontarians, SOLS proposes to restore consulting capacity. We have lost at least three consultants in the last five years. The French-language one retired in June and was not replaced; basically, thinking was that we could hire out when we need it, but hiring out still costs. We want to focus on needs such as IT support and expand training opportunities in basic library skills, supervision and electronic resources. To do so, we estimate needing five additional FTEs. Using $100,000 as the annual cost per position—that includes the salary, benefits and overhead—we would need a further increase to our base operating grant of $500,000.

In conclusion, we ask that you recognize the difficulty of maintaining services within flatlined operating allocations over such an extended period and add $300,000 to our base operating grant to stabilize our core programs. To address pressing library needs, we are seeking an additional increase of $500,000 for a total increase in our base operating grant of $800,000 annually. Thank you.

The Vice-Chair (Mrs. Laura Albanese): And thank you for your presentation.

Ms. Jackie Houde: Any questions?

The Vice-Chair (Mrs. Laura Albanese): That would be up to Mr. Prue.

Mr. Michael Prue: This seems very reasonable. What has the government said in past years for flatlining you? Why have they done it?

Ms. Jackie Houde: We have had no justification, just that we were flatlined. As well, when we were cut the $700,000, there was no explanation. I came to my first board meeting at SOLS, and that's what greeted me right off the bat, a big cut like that. It has impacted us negatively. I do know that times are difficult. We all go through difficult times. However, if we don't educate our children, if we don't provide the services through our libraries and if we don't provide SOLS the money to access the library needs, we go nowhere. I was listening to the lady a while ago about housing, and I'm thinking, pre-kindergarten, welfare—what do you do? You educate a child so that later a child can go on and help himself or herself.

Mr. Michael Prue: I live in downtown Toronto, and as you've said—I don't live in downtown Toronto; I actually live in East York. I better be technically right. But the libraries in the downtown core and in East York are chockablock full of people every day. When I go in there, there are students studying; there are people on the computers, people who help with resumés. It is a huge hub. What I would want for me—I see you wanting for people in more remote communities, especially those who don't have a library at all. Is $800,000 sufficient to give people in more isolated communities the same kind of resource?

Ms. Jackie Houde: I don't think it is, but it certainly allows us to catch up a bit. It's certainly not sufficient. When I speak of smaller libraries, I do think of small communities; most of the people working in the library are volunteers. The person comes in and there's a note on the library door, "We'll be here Tuesday 2 to 4." Then, on Monday, you may see that slashed and it says, "Had an appointment today. Can't go tomorrow." That kind of thing. So it's very difficult. I do know that if we are to maintain, whether it's electronically or via hard copy of the book, that quality for our children, it has to be supported by money. There's no other way we could go about it. And someone said yesterday, "Oh well, pretty soon we won't need books." Well, that's not true either. Whether you access books electronically or by hard copy, you're still getting access to a book.

Mr. Michael Prue: Have you made these kinds of deputations before or is this the first time you've come forward?

Ms. Jackie Houde: This is the first time.

Mr. Michael Prue: Maybe this time it'll work.

Ms. Jackie Houde: We're hoping it will.

Mr. Michael Prue: I think those would be my questions. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

PROVIDENCE CARE

The Vice-Chair (Mrs. Laura Albanese): We'll now ask Providence Care to come forward. Good afternoon.

Mr. Dan Coghlan: Good afternoon. I remember you from my days at West Park Healthcare Centre where I met you, Laura, and Wayne from Pickering. I'm formerly from Pickering. It's good to see you both.

The Vice-Chair (Mrs. Laura Albanese): Good to see you. You will have 10 minutes for your presentation, and that will be followed with five minutes of questioning.

Mr. Dan Coghlan: Wonderful.

The Vice-Chair (Mrs. Laura Albanese): We'll need you to state your name for the purposes of our Hansard recording, and after that you may begin.

Mr. Dan Coghlan: Thank you very much. My name's Dan Coghlan. I'm the vice-president of finance, information management and CFO of Providence Care in Kingston.

On behalf of Providence Care and the people we serve in southeastern Ontario, I want to thank you for the opportunity to provide input on the budget process. Budgets are not just about spending. It's our view that, in many respects, budgets are also about saving money, and saving money and investing money are equally important, especially so in the health care sector.

I am speaking to you this afternoon representing Providence Care, southeastern Ontario's leader in specialized mental health, rehabilitation, geriatric medicine, complex continuing care and long-term care. Providence Care is a key health care provider and we work closely with our partners in acute care, as well as with our community-based partners throughout the region.

Providence Care operates three locations in Kingston. Two are hospitals: St. Mary's of the Lake and Mental Health Services. The third location is our not-for-profit long-term-care home, Providence Manor. Additionally, Providence Care operates 18 community locations across the province.

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Providence Care is also committed to excelling in education and research. This is reflected in our role as an academic hospital, fully affiliated with Queen's University and partnering in education with several other universities and colleges.

It is within this context that I'm here today. Hospitals and health care organizations face numerous challenges, not the least of which is to deliver high-quality services in an environment of rising cost pressures and economic uncertainty.

My remarks today will identify three specific areas: (1) funding of hospitals' inflationary costs; (2) the impact of arbitrated labour settlements on our financial resources; and (3) the impact of aging infrastructure on our organization's ability to deliver efficient and high-quality care.

I'll also put forward ways that the government can address spending, saving and investing money to support health care organizations such as ours as we continue to provide needed care and services to the people of Ontario.

Firstly, the importance of recognizing inflationary cost: As you are aware, hospitals are required to sign accountability agreements requiring us to meet performance targets with a heavy emphasis on financial performance. Specifically, we are not to run operating deficits.

At Providence Care, one of our core values is that of stewardship. We understand our responsibility as an organization entrusted with public funds to use those funds in the most efficient and effective way. Our strategic plan commits us to pursuing the highest quality of outcomes within our available resources. Our senior leadership team, board of directors, managers and staff have endorsed this direction and have achieved balanced budgets in the past.

As we look to 2010 and 2011, in the absence of planning targets from the government, hospitals across Ontario were directed to plan for 0%, 1% and 2% increases in operational funding. Hospitals in our region have agreed with the South East Local Health Integration Network to plan for a 0% change. Considering inflationary costs alone, this planning scenario requires Providence Care to identify savings of approximately $3 million in efficiencies and reductions in order to maintain operations with our budget. We recognize our commitment to be fiscally accountable, but in these times of uncertainty our ability to maintain ongoing operations has become increasingly more difficult.

We are currently in the midst of a process to find and implement savings with a view towards realizing a balanced operating budget. This is a significant challenge, as the uncertainty of planning in absence of information creates stress upon staff and patients, and I'm sure you can appreciate that. But we also understand that this year's change in the planning process and delays in funding announcements were in large part reflective of our economic times in the province.

As Providence Care strives to achieve a balanced budget, our staff, management and board of directors are most concerned about the impact of change on our patient, client and resident populations.

I want to assure you that Providence Care is committed to finding new efficiencies across our operations. However, it is unlikely that we'll be able to continue to meet our accountability agreements in the coming years without additional financial support from the government. Insufficient funding will mean change in the services we offer to the public.

We are therefore asking for a 2% increase to hospital operating budgets in 2010-11. We believe this represents a reasonable and responsible measure. The provincial government spends money in other sectors to help manage inflationary costs. The health care sector is equally as vulnerable to rising expenses in supplies, utilities, insurance and especially labour. A modest revenue increase to hospital budgets will help us manage inflationary costs, minimize negative impacts on patient services and maintain public confidence in our health system.

The second topic, the challenge of binding arbitration: Recently, Providence Care's board of directors appealed to the South East LHIN for support on the issue of binding arbitration. Binding arbitration has a significant impact on a hospital's ability to reach freely negotiated contracts and almost always means a higher-than-anticipated amount is spent on employee remuneration. This makes it increasingly difficult for hospitals such as ours to achieve necessary efficiencies or cost savings.

Approximately 80% of our costs at Providence Care are allocated to paying salaries and benefits. As labour costs continue to rise due to arbitrated settlements, the piece of the pie left over to fund other patient program expenses is shrinking from 20% to 15% etc. This places hospitals in a challenging position, especially in the context of balancing our budget, and the current economic realities.

Together we need to find a way to counter this trend and make collective agreement negotiations a meaningful option. We need to be able to budget wage and benefit costs according to our financial situation and available resources, and we need to be able to live within those set

budgets. By doing so, we will be protecting the money we've allocated to be spent directly on patient care.

In our experience, one of the major challenges on this issue is that there is no disincentive to unions to opt for the government process of binding or interest arbitration over negotiations, because this is invariably more beneficial to them.

Arbitrators are mandated to take five legislated criteria into consideration, including the employer's ability to pay in light of its fiscal situation and the extent to which services may have to be reduced if current funding is not increased. However, the courts have concluded that arbitrators are only required to consider these criteria, and do not compel them to specifically address or analyze every factor in their rationale for a given award. So, in practice, we have seen arbitrators consistently give ability to pay little or no weight in the context of collective bargaining disputes, and that results in salary increases higher than what is affordable to hospitals. This is evidenced by a recent example in our hospital, in which one union group received an arbitrated settlement of 2.5%, while the hospital funding was capped at 2.1%. The differential has to come from somewhere.

We are asking the government to help us bring labour unions back to the negotiating table, so that both sides have the opportunity to negotiate contracts which will fit within the budgets and allow us to save money that can otherwise be used to support patient care programs and services.

Thirdly, the need to invest in critical infrastructure: Two years ago, Providence Care appealed to the Standing Committee on Finance and Economic Affairs for continued support for our hospital redevelopment project. Our two hospital locations are in bad shape. In fact, the stone and brickwork are actually crumbling around us. Money continues to be spent to ensure the facilities are safe for patients, families, volunteers and staff. Since our appeal to the committee in 2008, we have seen some progress in our project moving forward, thanks in large part to the support from our MPP, John Gerretsen. The Ontario Realty Corp. has agreed, in principle, to lease Providence Care the land we require for the construction of a new hospital. This is a clear step forward. However, this agreement remains contingent upon the government's commitment to invest in our project and place it on Infrastructure Ontario's multi-year plan.

As I described when I began this presentation, Providence Care operates two hospital sites. St. Mary's of the Lake is home to our rehabilitation, complex continuing care, palliative care and geriatric medicine programs. Formerly the Kingston Psychiatric Hospital, our Mental Health Services site serves clients with long-term mental health needs through an adult treatment and rehabilitation program, a geriatric psychiatry program and a forensic psychiatry program. Our redevelopment plan will bring both of these hospital sites together in one new, efficient facility. We will see immediate savings through this sharing of corporate and support services, modern building design and energy-efficient systems.

In 2005, Providence Care submitted a business case outlining our project to the government for its consideration. Since then, we have continued to invest in our existing facilities to maintain the integrity and the safety of these buildings. Within the last two months, we have seen clear examples of the additional cost of working with these older facilities. At our Mental Health Services site, there have been two major electrical system malfunctions, resulting in the complete loss of power and heat to the hospital for approximately six hours until such time as the situation could be resolved.

We are therefore asking the government to act upon its investment in health care, in projects such as our new facility at Providence Care, by continuing to invest in critical infrastructure needs. The result of this investment will be that we no longer need to spend millions of dollars in upkeep of old facilities. We'll also see considerable operational savings due to the efficiencies of a new hospital, savings which we'll be able to reinvest in patient care.

In conclusion, thank you for the commitment to seeking input to this year's provincial budget. We are very proud of the care we provide, and we value the partnership we have with the government, the South East LHIN, our patients, clients, residents and families, as well as the communities we serve. With your support, the hospitals of Ontario can continue to work toward accountability and provide the highest quality of services and the best-run health care programs in the country.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation. I turn it over to Mr. Arthurs.

Mr. Wayne Arthurs: Dan, it's nice to be in Kingston. Thank you for the presentation this morning.

Tell me, just briefly, a little more—in the presentation, I think you referenced 18 sites or 18 facilities or—

Mr. Dan Coghlan: Eighteen community care programs that we also operate, in addition to the three primary sites that we have: the two hospitals and one long-term-care home.

Mr. Wayne Arthurs: All within eastern Ontario?

Mr. Dan Coghlan: All within the southeastern Ontario region. That's correct.

Mr. Wayne Arthurs: That's pretty big. How large is the client base that you're dealing with, then?

Mr. Dan Coghlan: Our in-patient or community programs, or all together?

Mr. Wayne Arthurs: All together. I'm curious as to how broad the span is, how large an operation this is.

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Mr. Dan Coghlan: Somebody could probably check these numbers for me, but I would suggest to you that we probably touch the lives of around 2,000 to 2,500 people, between our community-based programs and our in-based patient programs.

Mr. Wayne Arthurs: I won't hold you to that.

Mr. Dan Coghlan: Thank you very much.

Mr. Wayne Arthurs: I'm just trying to get a scale, in part, of the operation and the responsibilities that

Providence Care is undertaking in the community. That's a pretty substantive amount.

You did your budgetary efforts through the South East LHIN at no increases. What you would like to see is—a 2% increase is the ask within this year's budget for the hospital care sector.

Mr. Dan Coghlan: For the hospital system, that's correct. So we're not talking just for ourselves but for the hospital system as well.

Mr. Wayne Arthurs: Right; okay. A little more in regard to binding arbitration, the challenges that are faced there: Having been in municipal governance and having dealt with binding arbitration, I have some sense of the challenges there. Any kind of specific suggestions, more specific suggestions, as a way that government should be looking at these processes to ensure that the outcomes are fair to all the parties?

Mr. Dan Coghlan: We believe that the hospitals can do their part to set a clear mandate for those that negotiate the agreements on behalf of hospitals, and that's usually the OHA, who essentially negotiate agreements.

The issue is, however, that unions can simply opt to say, "Well, after we've done our due best to negotiate, we'll go to arbitration." It's a matter of how we can influence arbitrators, directly or through the courts, to be more realistic. They can't award 3.5% when hospitals are getting 3% or 2% or 1%. Somewhere there has to be a realization that the gap has to be closed. If there's not going to be more funding coming from the government and the LHIN to hospitals, then those arbitrated settlements need to be kept in order. So it's how we can influence arbitrators and the courts that help enforce those arbitrations.

Mr. Wayne Arthurs: I always had a sense that the ability-to-pay component as they looked at local communities was really a sticking point, and you've made specific reference to that in your presentation as well.

Mr. Dan Coghlan: Very much so.

Mr. Wayne Arthurs: Okay. Infrastructure investment: Obviously the work has been ongoing with the ministry and your local member, in an attempt to get the project prioritized within the overall infrastructure investments that the government will be making over time. I for one, like you, know how diligent one has to be to bring that to a conclusion. I don't have any specific questions about that. I just would certainly encourage you, from my personal experience inside the Legislature now, to stay with your member, by his side. He knows well, also, to continue to use all of the resources available to him to make sure your case is being very well made.

Mr. Dan Coghlan: Good. Well, he's certainly been a great support and we appreciate all the support he has provided to us.

Mr. Wayne Arthurs: Thank you for being here this afternoon. Chair, thank you. Those are my questions.

Mr. Dan Coghlan: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you, and very nice to see you again.

Mr. Dan Coghlan: Likewise. All the best to you, and thank you for the opportunity to speak to you.

ONTARIO COMMUNITY SUPPORT ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): Now we call on the Ontario Community Support Association. Please come forward. You also will have 10 minutes for your presentation. There could be up to five minutes of questioning, and this rotation will go to the official opposition. If you could please state your name for the purposes of our recording Hansard, and after that, you may begin any time.

Ms. Lori Cooper: Okay, thank you. I'm Lori Cooper and I'm the district executive director for the Victorian Order of Nurses for Canada in southeast Ontario. I'm here representing the Ontario Community Support Association this afternoon.

Thank you very much for the opportunity to appear before the committee and provide the perspective of the Victorian Order of Nurses, VON, as well as the Ontario Community Support Association.

VON is Canada's largest national, not-for-profit home and community care organization. Although VON is a national organization, we are local in delivery. That allows us to deliver programs that specifically meet the unique needs of Ontarians.

With 21 sites across the province and close to 10,000 staff and volunteers, VON Ontario is able to provide a variety of programs, both paid and charitable. We are well known for building partnerships with communities, organizations, business and all levels of government to improve the quality of life of all Canadians.

VON applies a holistic approach to health, believing that community supports such as volunteer visiting, adult day programs and meal preparation are just as important in determining one's health as the reparative work of the traditional health system.

VON has been a strong advocate for community supports for many years. We have dozens of community support programs that provide service to both the client and their family and caregiver. Examples of our local programs include adult day programs, volunteer transportation, Meals on Wheels, in-home respite, foot care and home help services. VON is also a provider of nursing and personal support services in the community.

Our organization is part of the Ontario Community Support Association, which is a network of agencies providing home and community care to 750,000 Ontarians each year. Locally, 32 community support agencies, through paid staff and the support of thousands of volunteers, deliver services that directly support seniors as they age to remain independent in their own homes and communities. Services such as adult day programs, Meals on Wheels and home helper programs, volunteer transportation and hospice palliative care are services that

directly support the day-to-day activities of frailer seniors, allowing them and their caregivers to be confident in their desire to remain at home for as long as reasonably possible.

The services provided through the community support sector are not often high-profile, possibly because we account for only about 2% of the local health care budget, but it would be a disservice to equate the size of our budget to the impact of our services. The city of Kingston is part of the South East LHIN, where almost 17% of our population is over the age of 65, and most of this LHIN is quite rural.

I want to acknowledge the challenging fiscal situation that the province and our government are facing. It is a situation we are very aware of. The community support sector can be extremely effective in heading off more costly health interventions. The very nature of our services ensures that individuals with decreasing mobility or health and those who have taken on the caregiving role are receiving services that prevent further decline and that support caregivers to continue in the role that they have taken on and dearly want to continue.

Having to implement a wait-list for a service such as an adult day program for individuals with Alzheimer's disease, for example, or limiting access to transportation for medical appointments in very rural areas of this LHIN does not make sense if our overall goal as a province is to ensure that service is provided at the right time and in the right place.

People need care. They want to be in their homes, not hospitals or institutions, and health outcomes and overall quality of life improve when comprehensive home and community support services are available to them.

When we can be responsive to the needs of seniors and caregivers, community support can have a direct impact on the utilization of long-term-care beds and visits to the emergency room. For example, we recently received a call at the VON office from a daughter who, two months earlier, was trying to get her mom placed into long-term care and wondered how she was going to cope until that happened. Through the South East LHIN aging-at-home program, which we refer to as SMILE—Seniors Managing Independent Living Easily—mom was assessed as being at significant risk and the specific needed services were identified. Community services were put in place immediately. A tailored care plan was supported and services were brought in by existing community support services. There were services in pretty much every day. When the daughter called back to the VON office, it was to thank all involved for the support they were receiving and to let us know that they had actually declined a long-term-care bed, as her mom is managing quite well during the day with support and she, as a caregiver, is feeling much more supported and less stressed. That's what we like to hear, and we hear it quite often.

Here is the key: What was provided in the story I just shared is a more cost-effective means of health delivery than institutional care. Investing in home and community care frees up hospital beds and unclogs emergency waiting rooms. There are also decreases in long-term-care-home placements and long-stay hospitalizations, both at lower costs to the health care system.

Initiatives such as Home at Last and the SMILE program focus on those seniors most at risk of going to long-term care or the emergency room. These initiatives mobilize existing community resources quickly to respond to seniors with immediate needs and support them outside of the hospital.

A common assessment tool is being piloted in the South East LHIN community support sector to allow us to identify seniors most at risk and target resources that will support their independence and divert them from emergency rooms. It is our position, then, that funding for community-based health services in the 2010 budget be preserved and that strategic investments be considered.

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One such strategic investment is to support the implementation of a common assessment instrument provincially in the community support sector. The selection process of the tool will be complete by March 31, 2010: a year early. In last year's pre-budget submission, OCSA requested this, and we thank you for following through.

A speedy implementation will do much to ensure that services are targeted to those who will benefit most. The data that the tool generates will be extremely valuable for decision-making at the service delivery, funding and policy levels. We encourage you to invest sufficient resources so that the community support providers can implement the common assessment instrument without negatively impacting their ability to provide service or continue the work they do within their LHINs to improve the health care system.

Maintaining and enhancing funding levels for home and community support services is consistent with consensus opinion that these services are an effective and affordable means of delivering health care. We urge you to maintain funding to the LHINs and support new funding initiatives to help people continue to live at home.

The creation of the harmonized sales tax will provide the home and community support sector with some challenges. While we recognize that steps have been taken to ensure that the impact on charities will be fiscally neutral, we ask that you monitor the situation as the HST is implemented to identify any unanticipated consequences. We also ask that the home and community support agencies be provided with the same transition funding support as will be provided to small businesses.

Another concern is the serious shortage of home and community health workers in all areas of the province, particularly here in our community. One of the reasons for this difficulty in recruiting and retaining workers is the disparity in compensation and working conditions between the community health sector and the institutional health sector. We urge the government to look at this

disparity, including the absence of a pension plan for workers in the community health sector, which is a barrier to the mobility of workers across health care.

Personal support workers are extremely important to our sector. These workers provide 70% to 80% of the care in the community. There has been concern recently for the quality of the training provided to these important workers. Public confidence and the confidence of employers have been undermined by media reports of abuse situations and inadequate training. We urge you to provide resources for the monitoring of the training organizations to ensure quality of training, and we ask that you look at resource development for a worker registry to track training and employment of personal support workers. This would assist employers and restore public confidence.

In closing, we encourage MPPs to think strategically. Investing in home and community services now will save the government money in the near future and will improve the health of Ontarians.

I would just encourage you, for further information around community support services, to go to the OCSA website at www.ocsa.ca. For research relating to the impact of home and community support services, there's a wonderful website: CRNCC. It's the Canadian Research Network for Care in the Community, and it's sponsored by Ryerson University. There's Canadian and international research housed on that website.

Thank you for your time.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. I will turn it over to Mr. Miller.

Mr. Norm Miller: Thank you for your presentation. To help me understand a little bit more about your organization: You said at the beginning that you have 21 sites and 10,000 staff? Is that VON or is that—

Ms. Lori Cooper: That's VON, yes. VON has 21 branches across Ontario and we are one agency of the community support network.

Mr. Norm Miller: So those 10,000 people, does that include the volunteers as well?

Ms. Lori Cooper: Yes, staff and volunteers within VON across the province. For staff and volunteers in the community support sector across the province, we would be looking at, I think, around 150,000.

Mr. Norm Miller: In terms of your funding and access to your services, I assume that somebody trying to access your services accesses them through the CCAC. Is that correct?

Ms. Lori Cooper: Not community support services; not generally. People can be referred directly. We're funded directly by the LHIN. VON is a bit of an anomaly in that we sort of have two sides to our business. We are a contracted service provider with the CCAC—nursing and PSWs—and we also have a community support side. So they would be the programs like adult day, Meals on Wheels and volunteer transportation.

Mr. Norm Miller: Okay—all the programs you mentioned, then. As you correctly pointed out, those programs help especially to keep seniors in their homes, out of long-term-care homes and also out of hospitals.

Ms. Lori Cooper: Absolutely.

Mr. Norm Miller: Certainly in my area, one of the big challenges for the hospitals is—I think at one point, almost 50% of the acute care beds in the hospital were being occupied by alternate-level-of-care patients.

Ms. Lori Cooper: With nowhere else to go. Exactly.

Mr. Norm Miller: Now, your common assessment tool—basically, your ask is to maintain funding, which, as you say, comes through the LHIN—

Ms. Lori Cooper: Yes, it does.

Mr. Norm Miller: —and also, though, to invest in this common assessment tool.

Ms. Lori Cooper: Right.

Mr. Norm Miller: So can you tell us how this common assessment tool is going to make sense and how much it would cost as well?

Ms. Lori Cooper: I can. Now, how much it would cost provincially might be a little—but I can give you some examples. A common assessment tool has been seen as very desirable within community support. Community support services, by nature, are often—their history is very grassroots, so they've developed in a lot of different ways. A common assessment tool is going to be very valuable for us for two reasons: to show the impact of the services if we have a standard measurement of the functional ability of our clients, and to monitor the impact of any intervention that's put in place. So our goal is to be able to target the resources we have to those seniors who are most at need, and we need a validated assessment tool and the structure around that to do so.

We've been piloting one in the South East LHIN, and it has been very successful. It's early days, but it's enabled us to draw data, and also to just sort of pilot the whole change management and implementation piece. So that's very exciting, and there is a desire provincially to be able to implement such an assessment tool.

Mr. Norm Miller: And is it millions of dollars or is it hundreds of thousands of dollars or how much?

Ms. Lori Cooper: I would say that it's hundreds of thousands of dollars.

Mr. Norm Miller: Okay. And you mentioned the HST and that it's going to, I guess, be an extra cost for you in your sector.

Ms. Lori Cooper: Yes.

Mr. Norm Miller: Do you have an estimate of how much it will cost you and what effect that will have in terms of the services you're able to provide?

Ms. Lori Cooper: I have to say that I don't, specifically. The concern is that the community support sector has not been terribly well resourced on the IT and IS—information systems—side of things in the past, so the introduction of the HST is a particular challenge for some of the smaller agencies in particular.

Mr. Norm Miller: Thank you.

Mr. Toby Barrett: Do we have a minute?

The Vice-Chair (Mrs. Laura Albanese): Yes, we do. One minute exactly, Mr. Barrett.

Mr. Toby Barrett: Very quickly, we have been hearing a bit about the cost-effectiveness of home care as we've been travelling this week. You asked us to think strategically, and I'm wondering to what extent—when I think of the pressure that hospitals tell us they're going to be under this year, and they talk a bit about the fact that they have patients who would be better served perhaps at home or in a long-term-care facility, are you speaking with one voice with respect to presenting the same message in conjunction with the hospitals across Ontario?

Ms. Lori Cooper: I think we're speaking very much with one voice, probably more so now than even six or seven years ago. I mostly speak from local experience, but the hospitals and community support sector are working together much more closely on initiatives such as Home at Last, which you may have heard of because that is provincial. They're a very good example to start with, and it's really quite simple: Home at Last is an intervention in the emergency department that identifies seniors who are at risk and would benefit from what we call instrumental activities of daily living, the IADL supports, that community support services can provide. The hospital identifies them early, and there are working agreements in place so that we can respond quite quickly in the community. So the CCAC is in to do a quick assessment and community support services are in within 24 hours so that we can transition folks from the emergency room to home and ensure that that diversion back to home is successful and they're not showing up in the emergency room a couple of days later. Because it's often very practical supports that are missing when people feel they're not able to cope at home.

The Vice-Chair (Mrs. Laura Albanese): Thank you. I apologize; the time has expired.

Ms. Lori Cooper: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

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TOWN OF SMITHS FALLS

The Vice-Chair (Mrs. Laura Albanese): I now call on the mayor of the town of Smiths Falls, His Worship Dennis Staples. Welcome. You will have 10 minutes for your presentation, and that could be followed by five minutes of questioning.

Mr. Dennis Staples: Dennis Staples, the mayor of Smiths Falls. Thank you for this opportunity, and thank you for moving me up in the agenda.

You have a copy of my handout, which I'm actually going to read from, and then hopefully I'll have some comments and questions.

Again, thank you for the opportunity to meet with you this afternoon and provide input into the discussions related to the 2010 pre-budget consultation process.

There are two parts to my presentation: a bit of background, and then the issue which I'd like to raise with you this afternoon.

The background: The town of Smiths Falls, as previously reported to you as part of the 2007, 2008 and 2009 Ontario pre-budget consultation processes, continues to face significant local economic challenges due to permanent job losses related to the closure of the Rideau Regional Centre, the Hershey chocolate plant, the Stanley tools plant, the Flakt plant, and in addition, more recent job reductions associated with the Ottawa Valley Railway line, Shorewood Packaging and Grenville Castings.

The combined impact of the job losses and reductions mentioned above exceeds 1,700 jobs in our town of Smiths Falls, which had a population of approximately 8,800 in the last census.

During the past three to four years we have seen a significant amount of capital infrastructure activity take place in Smiths Falls, including a new high school, new water treatment plant, the redevelopment of the Smiths Falls site of the Perth and Smiths Falls District Hospital, a new arena—those four projects total $105 million in capital, which is rather significant—and also plans to create a new headquarters for the Ontario Provincial Police eastern region, which will be happening this year.

We are truly appreciative of the efforts and support of the Ontario government in your consideration and approval to move forward with these major projects, which will greatly assist in the economic recovery of Smiths Falls, and I mean that sincerely.

However, our number one priority is and will continue to be finding solutions to replace the significant number of jobs we have lost, which represents the most serious economic challenge in the history of Smiths Falls.

What's not here, and I can give you an example: Over the history of our community we've had companies come and go—RCA records, Wire Rope, Croydon Furniture. However, being born and raised in Smiths Falls, I will say this is the first time we've had our three or four major employers all deciding to leave at the same time. That has created an extraordinary challenge for us, and I think the government and the people around this table are truly aware of that.

The issue I have to discuss with you today is one that will not relate to any cost implications for the Ontario budget, and I'm speaking as mayor and as an accountant as well.

During the 2009 pre-budget consultation, which I attended last year, we raised a concern related to lottery licensing that still remains as an important issue and significant opportunity for the town of Smiths Falls.

Over the years, the town of Smiths Falls, similarly to many communities throughout the province of Ontario, has benefited from local service clubs and other groups that have contributed funds from their local fundraising efforts to provide a number of recreational and cultural improvements, such as ball diamonds, tennis courts and

arena upgrades. The list goes on and on, and I know you're well aware of them.

Current regulations contained in the lottery licensing manual do not allow the municipality to receive lottery proceeds for the purpose of capital costs, repair or leasehold improvement of property owned by the municipality. That's really the issue.

Presently the town of Smiths Falls is building a new arena, and a number of local service clubs and other groups are interested in assisting with raising funds through their various projects and related activities, such as bingos, raffles, Nevadas etc., which in fact require a local licence in accordance with the Alcohol and Gaming Commission of Ontario. However, the municipality is not able to receive the funds from these organizations from their local events and activities associated with bingos, raffles, draws etc.

Based on advice and direction received last year from the Minister of Municipal Affairs and Housing related to this issue, we did formally contact the federal Minister of Justice and the Attorney General of Canada, as we were informed that this issue relates to the Criminal Code of Canada.

To this end, we have not been successful in achieving a resolution at either the federal level or provincial level of government to simply enable the town of Smiths Falls to receive funds from licensed activities undertaken by local service clubs and other organizations for the purpose of local recreation and cultural initiatives that they freely choose and wish to support.

Furthermore, it is interesting to note that those municipalities that receive a portion of gross slot machine revenues from charity casinos and slot operations at race tracks can use these proceeds to offset local infrastructure and service costs in accordance with the Ontario Lottery and Gaming Corporation Act.

Thus, the request being made today by the town of Smiths Falls—and I might also add, on behalf of the service organizations that have asked me to raise this issue—is both reasonable and warranted to allow to us to proceed with a justifiable local solution to meet an important local need. Simply, we are requesting support and approval from the Ontario government to allow the town of Smiths Falls to receive funds from local organizations to assist with local recreation, sports and cultural initiatives on property owned by the municipality. We also request support from the Ontario government to advocate and assist with this request at the federal government level, if required, to resolve this matter.

The last paragraph is, once again, to thank you.

One thing I didn't mention in here is that—and this happened twice this week. I was at a meeting of our local Lions Club last night, on invitation to speak to them. I'm also a member of our Smiths Falls Rotary Club, and we had a club assembly earlier this week. The Rotary Club raised an example with me. We're trying to find out how the Rotary Club can assist with the repair of the centennial fountains that they funded, or jointly funded, in 1967, which require repair. The issue is, because it's on municipal property and the Rotary Club raises its funds predominantly from two activities—a weekly bingo, which I'll be working at tonight when I get back home, and a Nevada draw; we have it at one of our local Quickie stores—we're prevented under this legislation from even accepting funds to repair a project that they assisted with 43 years ago.

I hope I've described this appropriately. The request is to find a way that we can receive these funds to meet local needs and requirements.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I would ask Mr. Prue if he has any questions.

Mr. Michael Prue: Well, I do, but I think first I have a comment. In terms of asking the province to—I don't know how the committee would make that kind of a recommendation. I suppose we could. We'd have to ask the members of the government, on that side, to take it forward, to ask the minister to try to intervene with the federal government. I don't know whether we can do a whole lot more than that. So I'm going to personally ask them to do that on behalf of us now, if they can take this issue forward. I don't really think that as a committee, though, we can do that.

Mr. Dennis Staples: Thank you for that. We raised this last year in Ottawa when we had our two minutes on the mike with Finance Minister Duncan and Municipal Affairs Minister Watson, and as a result of that they suggested we write and outline the situation.

I should add that one issue that we have resolved as a one-off is that our local Kinsmen Club had been raising money for four or five years from a TV bingo to build a field house at one of our parks for the use of our youth. That agreement has been reached through a one-off situation, but for anything going forward we have to find a way to change the—I call this a red tape issue or a bureaucracy issue.

I'm using this today as an opportunity to acquaint all of you with this situation, which might be the case in your own communities as well. That would be a solution that would help us going forward with remedies and opportunities.

Mr. Michael Prue: If I might also add some advice. A long time ago, in 1967—or 1966, actually, to be exact—the incoming mayor of East York, True Davidson, set up the East York Foundation. We found it a wonderful tool, even post-amalgamation, because some of the things were owned by the foundation, such as the statues in the park, some of the properties and all of the historical artifacts. It was tax-free and the municipality could get around that stuff. So I think setting up a Smiths Falls foundation may, in the short term—it requires a private bill in the Ontario Legislature, but it may help you to get around it.

Having said that, I want to get to the true—I travel often to Ottawa, but don't often go up through Smiths Falls. I take the fast route, but last year I decided to go through Smiths Falls after you had made your

presentation. I went up during the summer and walked around for a half hour or so and looked at things, and tried to determine—really, it was sad. Although I did see some new buildings and I saw some life, seeing shut factories—how many people have moved out?

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Mr. Dennis Staples: I was anticipating that question. I don't have a number. I know the majority of people who have been affected continue to live in our community and find work in Ottawa.

Mr. Michael Prue: Yes, and commute.

Mr. Dennis Staples: I know that people have had to relocate to other communities for work—at this point in time, not a huge number. Some people have been able to retire, and others have opened their own businesses. But to date, we've been able to keep our head above water and keep those people living in our community.

Mr. Michael Prue: What you outlined here, is that sufficient for the community, in the short term, to continue going ahead? Smiths Falls must be well in excess of 100 years old as a town.

Mr. Dennis Staples: It was founded around 1850.

Mr. Michael Prue: So we're looking at 160 years of progress to get here. I would hate to see it just sort of shrivel.

Mr. Dennis Staples: I would also add, in response to that question, that we are working on some leads. We had an announcement last June with respect to a potential new occupant of the Hershey plant. That deal is not yet finalized. It's a beverage company that would create 160 jobs. We've been working specifically for the last four or five years with the Minister of Economic Development and Trade, and I've had some discussions with the Premier, about potential reuses of the Rideau Regional Centre, a place where I used to work when I was an Ontario public servant. We're also working on some other leads for some other vacant space we have in Smiths Falls. So we're optimistic we can find some solutions, but to date we've not made any significant inroads into the job losses, which total 1,700.

Mr. Michael Prue: Is there anything the finance committee can recommend that will help you?

Mr. Dennis Staples: Yes, looking at the public property, which is the Rideau Regional Centre; to work aggressively with us to find creative reuses for that. We have developed some plans and are working with some interested parties. To look at that serious matter, to find a solution that would not only benefit us but would benefit the Ontario government in terms of tax revenue—that support would be very much welcome from everyone around this table.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee this afternoon.

PERTH AND SMITHS FALLS DISTRICT HOSPITAL

BROCKVILLE GENERAL HOSPITAL

The Vice-Chair (Mrs. Laura Albanese): We now call on the Perth and Smiths Falls District Hospital representatives to come forward. Good afternoon. You will have 10 minutes for your presentation, and that could be followed by up to five minutes of questioning. This rotation will come from the government side. Please state your name before you begin, and after that, as soon as you're ready, go ahead.

Mr. Tim Carter: Good afternoon. My name is Tim Carter. I'm the chair of the Perth and Smiths Falls District Hospital. On my left I have Hugh Bates, who is the chair of the Brockville General Hospital, and on my right I have Ray Marshall, who is the president and CEO of the Brockville General Hospital.

Hugh and I would like to take this opportunity, first of all, to thank the members of the Standing Committee on Finance and Economic Affairs for affording us the opportunity to offer our input on the upcoming budget. The Perth and Smiths Falls District Hospital is a multi-site hospital corporation located in the heart of the Rideau Lakes region, at the midway point between Ottawa and Kingston. We provide quality care for acute and chronic in-patients, as well as emergency and ambulatory care, to a population of 44,000 in Lanark county from a two-site hospital. The hospital employs approximately 560 dedicated professionals and is undergoing an exciting $43-million redevelopment of one of our sites in Smiths Falls. The scheduled completion date is March 2011. We're profoundly proud to have the best patient satisfaction scores within the South East LHIN, the best emergency department wait times, and we are one of only seven hospitals in the province of Ontario to receive the distinction of high-performing hospital for acute and emergency care.

The Brockville General Hospital is a 141-bed community general hospital serving the united counties of Leeds and Grenville. The two sites of the hospital provide a comprehensive range of services, including acute, complex continuing, rehabilitation and palliative care services, along with the associated diagnostic and support services, to a catchment area of approximately 60,000 people. The operating budget is approximately $59.5 million, and the hospital employs 700 staff. The Brockville General Hospital consistently meets or exceeds wait-time targets for services such as orthopaedics, general surgery and ophthalmology. Outpatient satisfaction scores average 95%.

Our organizations wholeheartedly understand the financial and economic crisis facing the province of Ontario. The situation is serious, and government revenues have fallen dramatically. The people of Ontario want hospitals, local health integration networks and the Ontario government to work in collaboration to ensure that we are all focused on practical and realistic solutions that protect access to patient care.

Without question, during these unprecedented times, the government of Ontario, the Brockville General Hospital and the Perth and Smiths Falls District Hospital share the same vital objective: to avoid actions that would significantly erode access to patient care, compromise the integrity of valued clinical services and destabilize the lifeblood of our organizations, that being the hands and hearts of our organizations—our staff.

As you can appreciate, funding increases have not kept pace with the pressure of costs, which have increased in the 5% to 6% range annually. Labour costs represent approximately 70% of our annual operating costs, and centrally negotiated contracts represent more than 90% of those labour costs and have increased, on average, 2.5% for 2010, as well as approximately a 1% increase as a result of employees stepping up in their seniority. Operating costs increase every year, almost entirely due to factors outside of our immediate control such as utility costs, collective bargaining settlements and arbitrations, enhanced regulatory standards, enhanced infection control requirements, and mandated yet unfunded government programs and reporting requirements, to name a few. Our ongoing struggle with financial health is critically dependent on receiving adequate funding. Eighty per cent of our funding stream is LHIN-dependent. In fact, our ability to meet our promise to be there in a time of need is becoming increasingly compromised by daunting financial pressures and lack of adequate funding.

Mr. Hugh Bates: Ontario hospitals are the most efficient throughout the nation, and both of our respective organizations demonstrate great leadership to ensure that our hospitals are most efficient.

The Perth and Smiths Falls District Hospital and Brockville General Hospital have demonstrated leadership in this area by being actively involved in regional supply chain management initiatives, back office integrations, "lean," and identifying and achieving further operational efficiencies. Despite our annual efforts, we continue to look for further potential efficiency savings and revenue generation initiatives, but these opportunities are becoming more and more limited without impacting patient access. We have demonstrated maximum operational efficiencies. Based on industry-accepted efficiency measures, the Perth and Smiths Falls District Hospital and the Brockville General Hospital score highly. To cite an example, the Perth and Smiths Falls District Hospital, according to ministry data, is the only hospital in the South East LHIN without potential savings, yet they continue to strive unwaveringly for commitment to fiscal responsibilities, to try to generate the shortfalls.

The complexity of operating a multi-site organization, where the fixed costs are higher than the single-site organization, is higher. This further reinforces our position that we are underfunded.

The economic challenges have made it difficult for the government of Ontario to provide the LHINs and hospitals with hospital operating targets for the 2010-11 fiscal year. As a result, LHINs and hospitals have revised their planning process for the 2010-11 fiscal year, and hospitals have been requested to provide their LHINs with scenarios derived from various funding assumptions of 0%, 1% and 2%.

Mr. Carter and I contend that a minimum of 2% hospital funding increase in hospital base operating funding for 2010-11 is reasonable and responsible in these economic circumstances. A minimum threshold of 2% will help to minimize the negative impacts on patient services. Even with a 2% increase in funding, Brockville General Hospital will be required to realize $1 million in efficiencies, and the Perth and Smiths Falls District Hospital will generate a deficit of $262,000. A 2% increase will also help to maintain public confidence in our hospitals and the health care system. The stark economic reality is that anything less may very well result in the erosion of clinical programs and services in our respective rural areas where we are the only game in town. I need to emphasize that even with a 2% funding infusion our two hospitals will be left with a shortfall.

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Mr. Tim Carter: We'll jump right into our conclusion.

The Vice-Chair (Mrs. Laura Albanese): You still have two and a half minutes.

Mr. Tim Carter: Okay. One of the best indicators of short- and long-term financial viability is working capital. Ontario's hospitals currently carry in excess of $1 billion in working capital deficit on which they pay approximately $20 million per year in interest charges. Our hospitals' working capital levels have deteriorated since the mid-1990s. In fact, cash flow is an oxymoron. The combined working capital deficits of our two hospitals totals $8.3 million.

We know that the OHA has requested an opportunity to work with the Ontario government to address this daunting challenge, and we're hopeful that the government will agree and help us to resolve this long-standing fiscal challenge.

Our recommendations for the 2010-11 Ontario budget are as follows: We ask and we seek a plan that would include a minimum 2% increase in operating funding, resolution on working capital deficits and transformative changes to promote long-term viability in the Ontario health care sector, specifically securing a minimum 2% for 2010-11, the resumption of multi-year funding beginning in 2011-12, and prompt resolution of the hospital working capital challenge.

We ask for the assistance of the government to eliminate hospital working capital deficits. Negative working capital prevents our organizations from investing in efficiency-enabling technology. Millions of dollars that could be spent on improving patient care are now being diverted to pay bank interest costs.

Without question, in rural Ontario, community hospitals such as ours are a safety net. We are a critical pillar supporting our communities. We are an essential

asset to our communities' balance sheet. Indeed, we are the anchor of the local health care system.

Today is a time for investment, not erosion. The Brockville General Hospital and the Perth and Smiths Falls District Hospital are committed to continued demonstration of fiscal responsibility, and we will work in a spirit of collaboration with our LHIN and the government.

Both of our organizations have always exhibited leadership and accountability, but we require adequate operational funding to ensure ongoing access to high-quality care for the betterment of our residents. They should expect nothing less.

Thank you for the opportunity. We'd be pleased to answer any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee today. Mr. Rinaldi.

Mr. Lou Rinaldi: Madam Chair, I would offer that if there is anything else, I would give some of my time. If there's something else that you jumped over that you wanted to make sure we hear, I think it's important that we hear it from you.

Mr. Tim Carter: Thank you very much.

Mr. Lou Rinaldi: If there is time, then I will ask a question. If not, take the time you need.

Mr. Tim Carter: Hugh, did you want to go back?

Mr. Hugh Bates: Maybe we will just take a minute, then, with the alternate level of care.

An ongoing issue for our organizations is health system capacity. This remains a serious challenge for our two organizations and for other community hospitals across the province.

We are currently operating at nearly 100% capacity. Across the province, approximately 17% of Ontario in-patient capacity is now occupied by patients in need of care in another, more appropriate setting, such as assisted living, palliative care, long-term care and home care. That's up from approximately 8% just four years ago. At Perth and Smiths Falls, this figure is 18% to 20% for alternate level of care, or ALC, as we refer to it. It has increased by 4% to 7% over the past year.

Brockville General Hospital reached a high of 36% of the 141 beds being occupied by ALC clients in July 2009. The rate remained at approximately 30% for the rest of the fall. Actions implemented in December 2009 by the South East access centre and the South East LHIN have resulted in a reduction of the percentage to 17% by the end of December.

Large numbers of alternate-level-of-care, or ALC, patients can cause delayed surgeries and long waits for care in our emergency department. While efforts are well under way to tackle the ALC patient challenge in the whole province, capacity to care for these patients outside the hospital setting does not yet exist across the province or consistently across our LHIN.

In today's constrained fiscal environment, the issue of health system capacity is of particular concern. We encourage the government to increase investments in community-based health services and community care access centres. Offering appropriate care outside is less expensive and better for patients and their families. That's in reference to the alternate-level-of-care patients that we all look after.

The Vice-Chair (Mrs. Laura Albanese): Mr. Rinaldi? Two and a half minutes, more or less, for questions.

Mr. Lou Rinaldi: Thank you.

Thanks for coming today and for a very thorough presentation—and, I guess, to congratulate you on the fine work you do, because, from your achievements on page 2, I think it speaks very highly of how well you look after the communities.

Can you give me some sense—you work your scenario around a 2% increase. You show some shortfalls of some $1 million and $200,000, respectively. Can you be a little bit more specific on what the outcome of those shortfalls will be?

Mr. Tim Carter: In the Perth and Smiths Falls District Hospital situation, we have already looked for efficiencies and found approximately $350,000 of efficiencies; $270,000 beside that is left in a deficit that we would run for 2010-11 with a 2% increase. What does that mean? That means to us that we're going to be looking at cutting programs and services. We have nothing else in our organization that we can find to find that $270,000.

Maybe I'll turn it over to Hugh and Ray for their million-dollar situation.

Mr. Ray Marshall: For our million dollars, what we would be looking at is that there are some efficiencies that we're still looking at. One of the things, for example, is solar power. We know that the government has initiatives where we can put solar panels on the roofs of our buildings and potentially sell back the energy into the grid. A lot of the other things are looking at changing the models of care in the organization, changing the staff mix from RNs, RPNs to personal support workers. That has a cost of—the way we do that is, you have to lay off people to create the new positions. So those are the sorts of things we're looking at.

Mr. Lou Rinaldi: Thank you, Madam Chair.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation today.

We're going to take a short recess. We're waiting for our next presenter to arrive.

The committee recessed from 1438 to 1441.

ONTARIO ASSOCIATION OF RESIDENCES TREATING YOUTH

The Vice-Chair (Mrs. Laura Albanese): We're back in session, and we welcome the Ontario Association of Residences Treating Youth. Good afternoon.

Mr. Terry Stevenson: Good afternoon. How are you?

The Vice-Chair (Mrs. Laura Albanese): Fine, thank you.

Mr. Terry Stevenson: You must be glad to be getting things moving along so you can get out for a Friday afternoon.

The Vice-Chair (Mrs. Laura Albanese): Yes, we're trying.

You have 10 minutes for your presentation, and that will be followed by up to five minutes of questioning. In this rotation, the questions will go to the official opposition. You may state your name for the purposes of our recording Hansard, and then you may begin any time.

Mr. Terry Stevenson: I'm Terry Stevenson, president of OARTY.

Mr. Mark Williams: I'm Mark Williams. I'm a director with OARTY.

Mr. Mark Higgins: I'm Mark Higgins, a director with OARTY.

Mr. Terry Stevenson: We are here representing OARTY, the Ontario Association of Residences Treating Youth. As I mentioned, I'm the president, and with me are fellow board members Mark Higgins and Mark Williams.

OARTY is a provincial association representing approximately 70 member agencies, which has been providing high-quality residential care and treatment services since 1971. Roughly 4,000 children, youth and young adults are cared for annually within this sector, representing approximately 25% of the children in residential care in Ontario.

Our children are among the most damaged, difficult and challenging children and youth in Ontario. Fifty-three per cent have disabilities requiring intensive support for the rest of their lives; 26% are diagnosed with moderate to severe intellectual disabilities; 24% have experienced both physical and sexual abuse; and 14% have no speech. Fifty-one per cent of these children have lived in poverty their entire lives. We welcome these children into our care when the CAS system finds it cannot care for them; when CAS homes or Children's Mental Health Ontario agencies choose not to take or don't have the expertise to manage them because they do not have the treatment programs these children need.

The whole province is keenly aware of the budget crisis facing the government, and we're no exception. We are here today to tell you about an efficient, effective system of care for the province's most vulnerable that can save the government money. In this capacity, OARTY is working with the CAS commission established by MCYS and working toward a sustainable future for child care.

OARTY programs are paid for by the government of Ontario through the provincially funded children's aid societies and other programs. OARTY agencies provide services on a fee-for-service basis, or a per diem. We receive payment only when beds are occupied. This per diem figure is an all-in cost encompassing capital expenses, staffing, food, clothing, transportation and treatment. The per diem figure varies between OARTY members, depending on the nature of the treatment services being offered.

OARTY members are experts at managing budgets while maintaining high-quality care. We are a vital part of the child welfare system. We have a model that is accountable, transparent and cost-efficient. We are working toward third party accreditation for all our members by 2012, and we have been speaking with MCYS and MCSS about our six-point plan to improve the child welfare system in Ontario. We would be happy to provide you with a copy of this plan.

Mr. Mark Williams: Independent service providers can assist the government in these economically challenging times by offering a model of care that is cost-efficient and child-centred. Given the deficit Ontario faces and the current funding crisis facing the child welfare sector in particular, OARTY believes that the care and treatment of our children must remain a priority and that we can offer tangible solutions for the child welfare sector.

Independent residential care providers offer excellent care at a fraction of the cost that CASs charge. We are a significantly cheaper alternative to the CAS because we are funded on this fee-for-service basis. It is a completely accountable and transparent funding model. It is also well supervised and accountable to government through audits of services, audits of financial statements and various other mechanisms.

OARTY members have the expertise to care for the most damaged children in the province. We have cost analyses and studies that show the savings of a per diem system where the funding follows the child. We want to work with you to create an Ontario that has the capacity and ability to provide superior care and treatment for the children and youth who need it most. OARTY believes that it is vital to ensure that the neediest children do not bear the brunt of the burden of these challenging economic times.

So why are we here today? Largely because government, in its broadest sense, continues to talk a good line about children and then fund them inadequately. We are not here to lecture the current government. All three parties have done less than they could have and should have for children in this sector.

The per diem rates that support many of the children in our care were set during the Peterson government. The last major funding adjustment was a significant clawback in the early 1990s under Bob Rae's social contract. This means that OARTY members are caring for the province's children at rates set almost 20 years ago, with no cost-of-living increase since then.

To put the numbers into context: Some of the children in our care are funded by the province for $6 a day for food. At this rate, OARTY homes are struggling to afford healthy food and proper nutrition. Is this okay with you? What $6 bought in 1987 would cost $9.90 today. It's still not a princely sum, but certainly better.

In the 2004 budget, the government provided a 3% increase to the base budgets of transfer payment agencies. The government also provided $25 million in 2004 and $38 million in each of 2005 and 2006 to

transfer payment agencies for programming. OARTY agencies did not receive a dime of that money. Is that okay with you?

Let's look at the chart of who our kids are again. Is it okay for the blind kids, the 53% with disabilities requiring intensive support for the rest of their lives, the one in four who are diagnosed with moderate to severe intellectual disabilities, the one in four who have experienced both physical and sexual abuse and the 14% who have no speech to be cut out of the monies invested by the government and to forgo their share? Or does the refusal to change this indicate that we accept that these children have no share? Surely not.

Mr. Mark Higgins: Since 2001, we've been speaking to civil servants in both the MCSS and the MCYS, and they've patiently explained that we don't get any of the money because, under the current system, there is no funding mechanism in place to flow money either directly from the Ministry of Children and Youth Services to OARTY agencies or that mandates a flow of funds through the children's aid societies. I'll say that again. The money's there; it gets to the CASs, but there's no mechanism to get it from the CASs to the private sector operators.

The effect of a lack of funding flow-through mechanism is that 75% of kids in the care of the province are receiving 100% of the money. Both the Ministry of Finance and the Ministry of Children and Youth Services are aware of the funding inequities in the child welfare system, but this flow-through issue has yet to be resolved.

Meanwhile, since 2003 the cost of children's aid societies across Ontario has increased at the same rate, 32%, that the provincial government's revenues have increased. Children's aid society funding has gone from $500 million to $1.4 billion in the last 10 years.

Every year, the children in our care fall farther and farther behind the children in the direct care of the CASs. This underfunding is both lamentable and the reason we can offer ourselves now as models of economic probity. We don't have the economic margin to be anything other than efficient.

The return that the government will get from an investment in our sector is significant. We deliver care and treatment for broken, damaged, vulnerable and abused children. We do it more economically than anyone else, with no trade-off in quality and care. We are the people the CASs turn to when they cannot manage the complex and sophisticated care of 4,000 children.

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The current child welfare system is in dire straits. CASs are facing increased caseloads, which are increasing costs, and they are unable to meet demand. We have a cost-effective, transparent model that will allow more children to get access to the treatment and care they so badly need without incurring budget deficits, overruns or inefficiencies.

We think that the children in OARTY homes need and deserve a fair share of the money that the government is giving to sectors that are providing the same services. Don't you? We hope so, because the only chance these children have for equity is with you. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for this very interesting presentation. It's the official opposition's turn. Mr. Shurman.

Mr. Peter Shurman: Thank you very much for a passionate presentation. I find it rather interesting to listen to what you have to say, particularly as the CASs funnel into this. In my own riding and those of my colleagues—it's not particular to my party—CASs are making requests for funding this year that are marginally above what they got last year and, in cases that I know of, are not only not being matched with funds that are equivalent to last year, but are experiencing reductions. Under those circumstances, it sounds to me like they're not going to be able to meet the loads that they were and there will be more on your plate. But with what you describe in terms of the transfer mechanisms, or lack of them, our kids are in even worse shape than what you're describing.

Mr. Terry Stevenson: Yes, it's one of the issues that we've been trying to address. Agencies have been trying to pull their kids in, so they've been removing them from care despite the fact that they're in good care, in good homes and have developed attachments, in order to rein in their costs. They're beginning to start pulling their kids out of care and bringing them into their own system, which they erroneously see as being less expensive than ours, in part because they have transfer payment funds and the way the system looks at or budgets these kinds of matters is they simply say, "We only pay $70 a day," say, for a foster parent, not including all the treatment costs, all the management costs, all the supervision costs, whereas our costs are all-in. When you pay the one cost that you're paying for us, you're getting the treatment, the foster parents, the supervision, management, all the care pieces.

Mr. Peter Shurman: Did I hear you say that the rate remains at $6 per day per child and has been that way for 20 years?

Mr. Mark Higgins The budget line for food has remained unchanged at $6 a day.

Mr. Peter Shurman: How do you fund? Because you can't do it on $6 a day.

Mr. Terry Stevenson: No. We end up having to try and take away from other aspects. We run as tight as possible with administration. We have staff who are underpaid, as well, and continue to be underpaid as we funnel money into trying to pay for food costs, clothing costs that have gone up, those kind of things.

The only possibility for an increase for us is to go back for a rate review, and during those times we have to demonstrate that we have significantly changed our program in order go through to the ministry, and then we go line by line through a budget to establish the kinds of monies that we need. In those particular cases, it's very different depending on which region you're in, and in some regions, they still say, "Well, it's $6 for food.

That's all we're going to pay you for this. We'll give you so much for clinical or we'll give you so much for transportation, but we're only giving you $6 for food."

Mr. Peter Shurman: You seem to take quite a great deal of pride, as you should, in handling what you have described as the most broken children. Is this an approach, if the government—any government—were to buy into the per diem approach, using organizations and agencies under your umbrella, that would work across the board, a per diem, a better funding formula? Is that what you're saying?

Mr. Terry Stevenson: We believe so. We're meeting with the CAS commission next Wednesday, in part to discuss this kind of model. One of the pieces of data that we've been able to finally access indicates that in transfer payment agencies—for example, there are group homes that are being funded as a transfer payment agency; they get a single budget per year from the CAS. They are often operating at 60% to 70% capacity, so out of eight beds, they are only operating six beds. It's easier for them to do it that way, it's less strain and stress on the staff. So you've got per diem rates that are generally—on average, I think their rates are around $2.70 a day; our rates are around $2.35 a day. When you start to factor in the fact that they're only operating at, say, 75% or 70%, those rates go up considerably. On the other hand, if the bed is not filled, we're not getting any money.

Mr. Peter Shurman: I'm surprised to hear that there's any agency servicing children anywhere in the province that doesn't have a wait-list.

Mr. Terry Stevenson: There are many agencies that are transfer payment agencies that are operating well below capacity.

Mr. Mark Higgins: And we find that they transfer their hard-to-serve children to our sector.

Mr. Terry Stevenson: They cherry-pick.

Mr. Norm Miller: Let me just ask a question: How many kids across the province would you serve?

Mr. Terry Stevenson: The private sector serves approximately 4,000, which is about 25% of the general number of kids in care.

Mr. Norm Miller: Okay. Thank you.

The Vice-Chair (Mrs. Laura Albanese): You have 15 seconds left.

Mr. Mark Higgins: One quick one, then. One of the quick fixes that hasn't been mentioned today, and I'll just do it really fast—the history lesson is that before Mr. Harris was Premier, the mechanism went like this: The CAS got an annual increase, part of which was COLA, and the CASs were mandated to pass on the COLA factor to the private operator. So, this year, COLA increase, 3%; private operators, automatically, 3%. When Mr. Harris came into office, in part of the cost-cutting mechanism that he set up, the increases continued to flow to the CAS but he dropped the codicil; he dropped the, "And thou shalt give it to the private sector." That's all you'd have to do: same buck; just make sure it flows.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that.

SPORT MATTERS GROUP

The Vice-Chair (Mrs. Laura Albanese): Next is the Sport Matters Group. Good afternoon. You will have 10 minutes for your presentation, and that will be followed by up to five minutes of questioning. If you could please identify yourself before you start your presentation for the purposes of our recording Hansard. You may begin any time.

Mr. Ian Bird: Very good. Thank you very much. My name is Ian Bird, with the Sport Matters Group. It's good to be here. It's good to see many of you again.

In sharing that, I think it's important that you understand a little bit about the Sport Matters Group in that we are a voluntary collective focused on good public policy, especially around sport and physical activity, and in our work, of course, that involves numerous organizations, including such groups as the Sport Alliance of Ontario, Sport 4 Ontario, Parks and Recreation Ontario, and many community sport councils, coaches and athletes. It's a collective mechanism to bring together the ideas and interests of those and to help shape them in a way that helps you do your job in public policy. So that's really what I'm here to do today, to help deal with a few key ideas to inform your budget deliberations and recommendations.

I was an athlete with Canada's Olympic team on two occasions: at the 2000 games in Sydney and at the 1988 games in Seoul, playing field hockey, and in between, many years of training and all that goes into that. Now I'm more of a dad trying to keep the backyard hockey rink clear of snow and allow my kids to participate. So I bring a bit of a range in perspective, and personal experience at the Pan-American Games, which I'll reflect on shortly.

I'm going to be brief in my remarks because I would like to take the kind of questions that you'll have and, in one case, seek your input on one idea around charitable status. But just to summarize, up front, there are three things that we're interested in and that will help you think about good sport policy. What we know that helps any jurisdiction maximize the benefits of sport is the mobilization of three kinds of fiscal tools. The one tool that I think is straightforward and that you would understand is the flow of capital. In the absence of the flow of capital, we're not able to create the infrastructure and the public spaces that are accessible to all, that allow for children and adults to participate in sport and get the benefits that flow from them. The flow of capital is a key ingredient, and you'll hear that that's one of the things that we're seeking: the continuation of a sport and recreation infrastructure fund. That's one.

The second policy tool that is critical is the use of the tax system. In this case, there are many ways we can use the tax system; it happens in Ontario we've used almost none to advance sport and recreation policy. So there will be two ideas that we'll bring to you around the tax system.

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The third idea, the third way, is governments can invest in and fund initiatives. In that case, we have a legacy program that we want to introduce to you as part of the health promotion agenda, as well as a link-in to the Pan American Games that will be hosted in the greater Horseshoe area in 2015.

The key thing, I think, for your consideration, given your mandate, is to think through the appropriate mix of those three kinds of fiscal policy tools: capital, tax policy, and then the funding mechanisms you have in front of you.

A quick description of sport in Ontario, just to give you a picture if you're less familiar: Obviously, the games are coming in 2015. This is an event that will return between $1.5 billion and $2 billion in economic impact to the province and the region, setting aside what, of course, it will do for our athletes, coaches and sports system. Ontario, as you know, has a significant sport volunteer base. It is through volunteers that sport happens in the province and in our communities. The reach of sport is really to every corner and every community in the province.

Recent work by the Canadian Fitness and Lifestyle Research Institute informs us that when we put 36 public cents into a system that promotes physical activity, there's a $6 savings in our health care system. This is something that we really want to showcase and make sure is part of our health agenda, part of the health promotion agenda, that we are thinking upstream and in prevention and of what sport and physical activity can offer for its health benefits but also for the economic benefits. Looking now at numbers, around 50% of the provincial expenditures will be taken up by health care by 2014 unless we do some things to remediate that further upstream.

Of course, you'll know of the linkages between sport and our education system and the close connections that exist there.

So those are the kinds of things we can talk at length about.

Sport as a community anchor, sport as a place where newcomers are welcome—there's a range of social benefits, but I think we just want to zero in on the actual fiscal strategies that you'll want to include in your recommendations.

The first thing I'd like to describe is this idea of a legacy initiative. The prospect of building a legacy initiative now really adopts something that has been used extremely successfully in British Columbia in the lead-up to the Vancouver 2010 Olympic and Paralympic Games. The idea suggests that throughout the province we can drive the appropriate legacy in sport capacity-building for the particular community's needs. In British Columbia, they were able to use the Olympic and Paralympic Games as a driver for community development and sport development in over 105 communities. That opportunity is now present in Ontario, given that the Pan American Games are coming in 2015. The key ingredient to this is to establish your fiscal benchmark—and we know this to be approaching 1% of the budget spending through health promotion—and that will give you the tools you need, over the course of those four or five years, to generate the kinds of legacies that are key to the province.

This is particularly important in Ontario, given that the sport system itself has a long history of success but a recent history of coming up short. This is a real opportunity to advance the sport system throughout the province. In particular, it would draw attention to the capacity gap that exists among provincial organizations. There was a time when sport organizations in Ontario led the country. Now, at the level of capacity, they are now seventh or eighth behind such provinces as Nova Scotia, Newfoundland, Quebec, Manitoba, Saskatchewan and British Columbia. So I think there's a window in this next couple of years to begin to shift that trend and bring Ontario's sport system back to where it once was. The appropriate benchmark, for your reference, is an investment level of 1% of provincial spending.

The second thing, as you'll know through the stimulus provisions of recent budgets, is that the deficit on sport and recreation infrastructure, which was sitting at $5.6 billion in 2007, has now been reduced by approximately $1 billion. Nonetheless, there's still the need to address the rest of the deficit—somewhere around $4.6 billion—and this of course is for the much-needed retrofit, renewal or new build of our swimming pools, arenas and other kinds of sport and recreation facilities.

We know of the jobs that this creates, the community benefits that this creates and the economic returns, as well as the obvious and necessary health returns. While we greatly appreciate the efforts made by all levels of government over this two-year period of economic stimulus, it's evident that we need a long-term plan that's strategized over a good five, six or seven years.

The Vice-Chair (Mrs. Laura Albanese): I just want to let you know you have about two minutes left.

Mr. Ian Bird: That's just perfect.

The last comment I have is about the tax system. I think others have been in front of you to talk about the impact of the HST harmonization and the need to examine and ensure there's an exemption around sport memberships, programs, safety equipment and facility rentals. I know that work is under way and I anticipate some sign of resolution before July 1.

I'm interested in hearing your perspective or question around how to address the inequities that exist with community sport organizations wherein they do not, at this point, have access to the receipting capability of a charity, such that a community leader, a citizen who sought to make a donation to an amateur, not-for-profit community sport organization, is not able to do so and receive the benefit of the receipting capability.

I appreciate that this is federal jurisdiction and the Income Tax Act, but there are some other provinces that have addressed this so that the arts group and the social service group and the sport group are really on the same

footing in terms of their own plans and ability to be self-sufficient and to raise funds through community donations. So this is a tax measure that we're hoping you'll consider, give some thought to and even provide some advice to us on how to pursue. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): And thank you for the presentation. Mr. Prue?

Mr. Michael Prue: I can give you some advice right away. Some municipalities and other groups have set up foundations. In my own former municipality of East York, we have the East York Foundation. Any monies can be given to the foundation. The foundation in turn gives it to the sports group and the donor gets a tax receipt; as simple as that. You can find them online.

Mr. Ian Bird: There are a number of sport groups who are not able to receive a donation because they themselves are not yet charitable but—

Mr. Michael Prue: No, no. The sports groups are not charitable. The East York Foundation is charitable. They take the money in; they give it out.

Mr. Ian Bird: Duly noted. Yes.

Mr. Michael Prue: They give it out to sports groups.

Mr. Ian Bird: For instance, if we looked at a number of the private foundations that exist in the province, if they were to look to see and make an allowable expenditure to a community group, they wouldn't be able to do so, nor directly could support groups build the culture and capacities in the absence of having charitable status. But I understand your point. I know there are other mechanisms that can be used and I appreciate it.

Mr. Michael Prue: I was just telling you this one, so you can perhaps model some others on that one.

You talked about the legacy fund and you talked about 1% of provincial spending being spent on sport. That would equate to about $1 billion.

Mr. Ian Bird: That's correct.

Mr. Michael Prue: In this economic climate, do you think that's realistic?

Mr. Ian Bird: I think the legacy initiative that we're discussing is about moving the Ministry of Health Promotion's budget from where it sits now to the equivalent of 1%. Health promotion includes everything, from sport and recreation programs that go on there, Active 2010, the up-front health promotion/direct community health programs that are going on. The idea is to shift that budget line from what's right now close to 0.35% to 1%. Again, this is modelled on the success that has been had in British Columbia in creating that whole community capacity as a legacy of or as a driver from hosting the games.

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Mr. Michael Prue: You talked as well about the tax system and in particular the HST. Much has been made in the Legislature that sports groups, when they are renting ice from municipalities and others, will now be subject to an additional 8% tax, and the difficulties that may cause some. Is that what you're seeing as well, that that 8% in additional tax is going to cause problems for sports groups in Ontario?

Mr. Ian Bird: It will increase directly the facility rental, the memberships, the purchase of safety equipment. Those are the key economic implications of the harmonization. We appreciate the benefits of harmonization, but we want to acknowledge that those efforts and that policy choice run up against the policy progress we're making in promoting health promotion and encouraging healthy and active living.

Mr. Michael Prue: I had a very good letter, mostly saying what you're saying on point, wondering where the government's priorities were, because the government went out and exempted fast food, particularly fast fattening food, and allowed for the exemption of the 8% on meals under $4—doughnuts and chips and stuff—but did not exempt sports and sporting activities. Do you think that the government made a wise choice? Maybe you can convince them that it's not too late to turn the tide.

Mr. Ian Bird: I do think there's a range of ways in which we can redress this. There has been much made of the option of a children's fitness tax credit and how it could be extended into the province of Ontario, or making the existing tax credit offered by the federal government have additional value. I think there's a range of options that are there. The key thing is to ensure that we align our tax policy with the health and physical activity and sport goals that we have.

Mr. Michael Prue: Okay. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation.

COALITION OF COMMUNITY HEALTH AND RESOURCE CENTRES OF OTTAWA

The Vice-Chair (Mrs. Laura Albanese): I will now call on the Coalition of Community Health and Resource Centres of Ottawa. Good afternoon. You'll have 10 minutes for your presentation. After that, there will be up to five minutes of questioning, this time from the government side. And if you could please identify yourself for the purposes of our recording Hansard.

Mr. David Gibson: My name is David Gibson and I'm the executive director of Sandy Hill Community Health Centre in Ottawa. I'm here today to represent 14 community health and resource centres.

The Coalition of Community Health and Resource Centres in Ottawa is essentially a network of community-based organizations providing health and social services to over 100,000 people in the city of Ottawa. We work in the inner city and we work in the rural, suburb areas of Ottawa and outside. Although we have a special mandate to serve those most vulnerable, in fact the people we see the most and see in our waiting rooms day in and day out, and who we work with in the community with our programs, represent all parts of the community.

Ottawa's community health and resource centres have engaged with their communities to develop recommendations to address the issues associated with poverty. In particular, we have worked with the immigrant and

visible minority communities on a process called Rethinking Poverty, and with the city of Ottawa on a poverty reduction strategy. I will be presenting a few highlights this afternoon from these processes. Although the recommendations I'm presenting here today are focused on addressing issues faced by the most vulnerable members of our community, we feel that all of these issues will have a direct impact on the health and quality of life of all members of our community.

I'd like to begin by acknowledging and applauding the province's initiatives to address the barriers faced by many low-income residents through the creation of the provincial poverty reduction strategy and the upcoming affordable housing strategy. As a coalition, we strongly support a long-term commitment to coordinated, intersectoral action as the most effective way to have an impact on poverty levels in our province.

I will focus my comments on three areas: affordable housing, employment for immigrants, and increased access to support programs.

The provincial investment that could make the greatest difference to the lives of the members of our community over the long term is affordable housing. Over the last few years, we have seen an already unacceptable housing situation grow even more serious. The situation for the homeless has gotten worse for virtually every indicator: 7,000 different individuals have used emergency shelters in Ottawa in 2008, and that's a 7% increase from 2007.

Homeless people spent an average of 51 days in shelters in 2008, which is five days longer than in 2007. The average length of stay in emergency shelters increased for all groups in 2008. But most alarming is the fact that the biggest increase came from families. This accounted for 68% of the increase in bed nights.

In addition, Ottawa faces a critical shortage of supportive and affordable housing. Ottawa has one of the lowest vacancy rates in the country at only 1.6%, so clearly the market has been unable to respond to this critical need. In 2008, there were 9,692 households on the social housing registry, compared to 9,370 in 2007. An additional 2,600 people were on the waiting list for supportive housing, compared to 2,000 in 2007. However, the stock of new affordable housing units in Ottawa increased in this period by only 134 units.

Even those who are lucky enough to make it into affordable housing are frequently faced with major maintenance problems due to years of underfunding. Ottawa Community Housing estimates the current capital requirements for social housing repair to be approximately $300 million.

In 2008, the provincial government contributed only 5% of the total cost of affordable housing programs in Ottawa. Ontario contributes less to affordable housing on a per capita basis than any other province. While this government has taken some steps to improve the situation in 2009, there is clearly a very long way to go.

This government has an opportunity to demonstrate leadership and to have an immediate impact on this critical area, first by increasing the minimum wage to a level that covers the real cost of living. Increase the Ontario Works and Ontario disability support program rates to cover the real cost of living, including housing costs. Make an immediate and sustained commitment to build affordable housing, and pressure—I know this is a tough one—the federal government to do the same. Invest in maintenance to preserve the long-term viability of the housing stock. Invest in Housing First initiatives, which have been demonstrated to be cost-effective strategies for helping the chronically homeless to reintegrate into society. Support community partnerships to facilitate the building of new affordable housing stock.

Employment is the other critical area for the investment that will significantly increase the quality of life in our communities. I'll focus specifically on the situation of immigrants. Immigrants play an enormous role in the future of our communities. Over 79% of Ottawa's population growth in the period from 2001 to 2006 was the result of recent immigration, yet immigrants experience significant economic exclusion.

They experience higher rates of poverty. In 2005, 37% of recent immigrants were living in poverty, compared to 18.1% for total immigrants and 12.3% for the general population in the city. Some 44% of immigrant children under six are living in poverty, compared to 16.8% in the general population. And recent immigrants are almost three times more likely to be unemployed than the general population: 14% versus 5.9%.

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Immigrant and visible minority communities are often prevented from contributing to the economic life of our communities because they face additional barriers to finding employment. In our opinion, the following strategies and supports would help them find employment and integrate more effectively and quickly into our community:

(1) Increase the number of available child care spaces, and create more subsidized spaces with flexible schedules.

(2) Lobby professional associations to expedite the recognition of foreign credentials and work experience.

(3) Provide support for professional mentoring programs to improve employability.

(4) Create or expand employment internship programs to assist in finding and securing employment in an individual's specialized field.

Finally, I will talk about improving access to supports that can have an immediate impact on the quality of life for people living on low income.

Accessing Ontario Works and the Ontario disability support program, as well as additional benefits such as the supplementary dietary allowance, is a complicated and time-consuming process. It delays or denies benefits needlessly to many individuals and families. Our staff spends hundreds upon hundreds of hours trying to assist those who are working their way through the application process. Streamlining the process would allow those who need the benefits to access them quickly and easily.

Dental care is also a basic and essential element of health care for all individuals. The province has taken an important step in extending the dental program to include low-income children and youth up to the age of 17. We would suggest that this program needs to be extended to also cover all low-income adults.

I'd like to thank you for giving us the opportunity to contribute to this budget process. We commend this government for the steps you have already taken, and we look forward to working with you over the next year to identify solutions that will position our community for much-needed renewal and future growth.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation this afternoon. I will now turn it to Mr. Arthurs for questions.

Mr. Wayne Arthurs: David, thank you for being here this afternoon and making your presentation to us. Let me begin by thanking you for acknowledging the efforts the government has been making through the poverty reduction strategy and some of the investments that have been made in spite of the identified need and an ongoing need for other initiatives or enhancement of what exists.

You've identified a number of areas in your brief to us that you would like to see this budget process addressing, to enhance in one fashion or another, whether it's housing—we've heard a number of deputants speak to the issue of supportive housing in particular as a cost-avoidance measure to some extent, apart from a simple cost centre for the purpose of providing it. You've spoken to the issue of the minimum wage, which is scheduled to increase on March 31, as per the program that was set out for that purpose. You spoke to ODSP and Ontario Works, among other initiatives, all of which have value in and of themselves. I think we've heard a number of deputants and other witnesses speak to the issue of how if we can put money in the hands of people, it's an immediate economic stimulus because it gets reinvested in the community most readily.

Having said all of that, now the challenge, and it's a similar challenge that the minister is going to be facing: If you had to—and I'm not suggesting that you want to—prioritize within this list of things, where would you be setting your priorities, if you had to make the choices within the context of this list?

Mr. David Gibson: In my position, of course, I would recommend everything, but the reality is we're being challenged fiscally. I think the greatest bang for the buck, which I have seen first-hand in Calgary, Detroit, Boston and Chicago, is related to Housing First initiatives. The idea that we as a society across Canada and in Ontario rely on shelters as an appropriate means to sustain housing for the most vulnerable is, I think, a deplorable statement of our society. People who are living in shelters are not necessarily moving on beyond there. It's a cyclical pattern of complications through addictions and mental health issues.

In Calgary, the city has concentrated its efforts and the government has looked at options to move people out of shelters, use that per diem in terms of rent geared to income and look at private-public partnerships in terms of investment for new housing stock.

I think the other critical area, of course, is the federal government's role, which is a predicament for every provincial ministry in terms of dealing with housing stock. We have to get back to the notion of federal and provincial responsibility and cost-sharing, even with the municipal level of government as well.

Our organization itself is in a public-funded building, sitting on equity of $4 million. We have asked—I've been there seven years now—to reinvest that equity in a partnership, whether it's public-private, and be the answer to part of this issue, which is to provide supportive housing that allows for supports to keep people there as opposed to on the street. I think there are opportunities like that where we can partner together, invest together and improve that housing stock across Ontario.

That would be my priority. The infrastructure investment is a great opportunity to do that. I have seen very little in Ottawa in terms of new housing stock—134 units is not acceptable. I think that would be my area where I would want to prioritize if we were to look at this as a budget item for next year.

Mr. Wayne Arthurs: Thank you for your candour in defence of your deputation, bringing the priority, and your reference to the other jurisdictions, in which I presume you have direct experience.

Mr. David Gibson: Yes, I do.

Mr. Wayne Arthurs: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you again for appearing before the committee.

SOUTH EAST LHIN COMMUNITY HEALTH CENTRE BOARDS

The Vice-Chair (Mrs. Laura Albanese): Now we call on the South East LHIN Community Health Centre Boards to come forward. Good afternoon. You have 10 minutes for your presentation, which could be followed by up to five minutes of questioning. If you could please identify yourselves for the purposes of our recording Hansard before you begin, it would be greatly appreciated.

Mr. John Mundy: Thank you, Madam Chair. Good afternoon, and thank you for giving us this opportunity to present to the budget committee. I'm John Mundy, the treasurer of the Merrickville District Community Health Centre. My colleague is Brenda Merkle, the vice-chair of Kingston Community Health Centres. We represent the boards of community health centres of the South East LHIN, and we're here to support our association's budget submission with respect to gaining access for our staff to the HOOPP pension plan.

Over the next 10 minutes, my colleague and I are going to try to explain, first, who we are and why we matter; second, what we need and why; and third, how much it's going to cost.

Who are the CHCs and why do we matter? Ontario's community health centres are non-profit, community-

governed, primary health care organizations. We are a significant and growing component of Ontario's health care system. There are about 101 CHCs in the province, including satellites, and we have about a quarter of a million clients. We have about 2,800 FTEs across the system, with staffing ranging from 12 to 130 per centre. Our individual budgets range from $1.8 to $12 million.

We also matter because the CHC model of care is successful. We provide comprehensive primary health care to our clients. We have a long history of using interdisciplinary teams to maximize the use of our staff and the outcomes for our clients. We are accessible in terms of locations, 24-hour call services and appropriate cultural and language skills. We are collaborative: We work with other health service providers in our communities. We are not-for-profit organizations governed by volunteer community-based boards. All of our staff, including physicians, are on salary and work for the centre. We are inclusive of the social determinants of health by paying special attention to issues that undermine the overall health of our communities. We are client- and community-focused.

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In the South East LHIN, which we represent and where population density is relatively low, there are four CHCs with three satellites operating, and an additional CHC with one satellite under development. We have offices in Portland, Tweed, Kingston, Merrickville, Brockville, Napanee, Smiths Falls and soon in Belleville and Trenton. All CHCs and satellites offer full primary care, health promotion and illness prevention services. In addition, we have many initiatives for groups facing barriers to health care, such as street-oriented youth, frail seniors, and diabetes sufferers.

I'll now turn to my colleague Brenda Merkle, who will explain to you what we need and why.

Ms. Brenda Merkle: What are we looking for, and why? Community health centres are keen partners in facilitating the transformation agenda for the South East LHIN and the Ministry of Health and Long-Term Care. The pension gap faced by CHCs is the single greatest human resources challenge to efficient operations and integration at this time.

The Association of Ontario Health Centres' Recommendation and Call to Action Regarding Closing the Pension Gap at CHCs proposes: "That the Ontario government develop a community-based health care pension coverage strategy and increase current funding levels for benefits to include HOOPP for CHCs."

We'd like to speak a little bit about why we think that's important. The lack of pension benefits for community-based health care workers is a barrier to integration, which is a key goal for the LHINs and the Ministry of Health and Long-Term Care.

Plans to move programs from hospitals to CHCs are impeded by staff refusing to transfer because they do not want to leave their HOOPP pension benefits behind. In fact, we've had recent experience with that in trying to move a diabetes program from the Lennox and Addington County General Hospital in Napanee to the Kingston CHC, so we've had personal, recent experience with that.

Enabling CHCs to include pensions in their benefits package will put CHC staff on par with and create equity amongst health professionals across health service providers. Inability to offer pension benefits results in a reduced capacity to recruit new physicians, nurses and other staff. It is difficult for CHCs to compete with hospitals for personnel due to the current lack of pension benefits in particular. Potential employees say that if they could bring their pension with them, they would work at CHCs despite salary differentials.

Staff leave CHCs in favour of hospitals and other institutions with better pay and benefit packages. Staff departures result in loss of institutional memory and loss of goodwill with patients and the community. Staff turnover is costly and inefficient, creating pressures on management to replace and retrain. CHCs are the training ground for certified diabetes instructors, who then move to hospitals or community care access centres, where they get better pay and a pension.

CHC funding must be sufficient to pay for the incremental cost of pension membership, relative to RRSP contributions, in order for CHCs to be competitive and to be an employer of choice. CHCs find the cost of moving toward inclusion of pension benefits prohibitive, based on current funding levels.

How much will it cost and how do we propose the funding model? The AOHC undertook a series of surveys of its membership in order to quantify the incremental cost for CHCs to move from providing RRSP contributions to providing HOOPP pension contributions. The most recent analysis was completed in November 2009. The pension cost, on an incremental basis across the province—this is for all CHCs in this case, not the South East LHIN—is about $10 million estimated for the next fiscal year, 2010-11.

A funding increase for CHCs of about 2.5% of salaries and benefits is needed to cover the incremental HOOPP pension cost. This amount represents only 0.02% of the total projected provincial health sector expenditure of just under $45 billion for 2010-11.

The Vice-Chair (Mrs. Laura Albanese): You have about two minutes left for the presentation.

Mr. John Mundy: Happily, I'm concluding. In conclusion, CHCs are an important and growing element of Ontario's integrated health care system. Pension equity with other health care professionals in terms of access to HOOPP pension benefits is needed for our staff. The Ministry of Health and Long-Term Care and the LHINs are encouraging transfers of services from hospitals to CHCs. Getting the same pension benefits from the same pension provider will facilitate the process of moving these services and sharing staff throughout an integrated health system. By funding the incremental HOOPP cost for CHCs, the province will advance a transformation agenda by removing a significant barrier to the integration of health services in our system.

Providing HOOPP benefits will enable CHCs and, by extension, the LHINs and the ministry to meet their integration goals by creating greater equity between hospital and community-based health service providers and move towards a more level playing field in the competition for health care workers. The cost of providing HOOPP benefits is not prohibitive—estimated at only 0.02% of the total projected provincial health sector expenditure—and we ask that the province look for the means to make this happen. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I will now turn this over to the official opposition. Mr. Miller.

Mr. Norm Miller: Thank you for your presentation. I guess to begin with, you can help educate me a bit about HOOPP. What does HOOPP stand for?

Ms. Brenda Merkle: It's the Hospitals of Ontario Pension Plan. That is the pension plan that is in place at most Ontario hospitals and other organizations.

Mr. Norm Miller: The problem is that their pension plan is better, I guess you'd say.

Ms. Brenda Merkle: Better than RRSPs, which at the moment is all that CHCs can afford.

Mr. Norm Miller: Okay. And you have a portability problem, so it provides challenges.

Ms. Brenda Merkle: Correct.

Mr. Norm Miller: In terms of the community health centres—because I don't have any within my riding of Parry Sound–Muskoka—how are they different than family health teams?

Ms. Brenda Merkle: First of all, the funding source is different. Family health teams are funded directly by the province, whereas community health centres are funded by the LHINs.

Mr. John Mundy: One of the key differences is that the physicians at family health teams are being paid on the basis of fee-for-service. The physician in a community health centre is on salary and the physician works for the centre.

Mr. Norm Miller: Okay, thank you. Actually, I thought that with the family health teams the physicians weren't on fee-for-service, that they were paid by the number of patients they had. That's why I'm trying to see if there are other differences.

Ms. Brenda Merkle: I thought they still billed through the OHIP process.

Mr. Norm Miller: They probably have a couple of different models for that.

Ms. Brenda Merkle: Yes.

Mr. Norm Miller: The cost of that is $10 million across the whole province; that's not just your area?

Ms. Brenda Merkle: That's correct, yes.

Mr. Norm Miller: Okay, thank you.

The Vice-Chair (Mrs. Laura Albanese): Mr. Shurman?

Mr. Peter Shurman: Just a comment or two. In answer to my colleague's question, you differentiated between funding by the LHIN and funding by the province. I just want to put on the record, rather than ask you the question, that the LHIN is the province. The difficulty that I personally have with the LHIN—and I am not going to bring you into this but I see some nodding there—is that the LHIN is an insulator between the Ministry of Health and Long-Term Care and people who are at the receiving end like you. So I have a problem with how people put on the LHIN the fact that they have some discretion.

In my own area, when we opened our first CHC, the people who ran it came to see me and brought a problem—not the same, but similar. They talked about the difficulty in hiring physicians because there was a disparity between what physicians are paid in a hospital environment versus what they're paid in a CHC environment. So from that, the question is, what kind of disparities do you see in a CHC vis-à-vis the attraction of staff, whether that be at the pension level or the salary level?

Ms. Brenda Merkle: Probably the biggest barrier right now is the ability to provide benefits. The reason for that is that there's a very distinct difference in the funding model between hospitals and CHCs. Hospitals have a global funding model, whereas CHCs have a line-by-line funding model. The difficulty that CHCs face is that they can't move money from one line to another. It's not easy to increase the amount that's available to cover benefits because the funding model gives CHCs 20% of salaries to cover benefits. If you know much about how much it costs to provide benefits, 20% is not a typical amount. A typical amount is more like 24%.

Mr. Peter Shurman: Is it reasonable, going forward, to look at some kind of a global review of the CHCs, notwithstanding regional disparities, looking at something that is more of a formula than a piecemeal situation that occurs in 14 different regions?

Ms. Brenda Merkle: I think that the CHCs of Ontario would be extremely receptive to that, and I think that's exactly what's needed: a review of the funding process.

Mr. Peter Shurman: That's great. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing in front of the committee this afternoon.

I also would like to thank all the members of the committee and our support staff for this week of work. We are concluding our travelling. We'll adjourn and meet again in Toronto on Monday morning. So thank you, everyone, and thank you to all those who are present and have presented to this committee. We are adjourned.

The committee adjourned at 1542.

Continued from back cover

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

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Assemblée législative
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Première session, 39e législature

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Standing Committee on Finance and Economic Affairs

Pre-budget consultations

Comité permanent des finances et des affaires économiques

Consultations prébudgétaires

Chair: Pat Hoy
Clerk: William Short

Président : Pat Hoy
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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Monday 1 February 2010

Lundi 1er février 2010

The committee met at 0902 in room 151.

PRE-BUDGET CONSULTATIONS

The Vice-Chair (Mrs. Laura Albanese): Good morning. The Standing Committee on Finance and Economic Affairs will now come to order. We are pleased to start Toronto pre-budget consultations, and this morning we will start with the expert witnesses. Just for the people present, we will have 15 minutes for each presentation,

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which will be followed by five minutes of questioning. We will start the rotation with the official opposition.

SCOTIABANK GROUP

The Vice-Chair (Mrs. Laura Albanese): Welcome. I would invite you to state your name for the purposes of our recording Hansard, and after that you may start at any time.

Dr. Warren Jestin: Thank you very much. My name is Warren Jestin. I'm chief economist at Scotiabank. With me is Mary Webb, who's a senior economist and our expert on fiscal policy.

What I'd like to do today is just briefly go through a slide show that indicates how we see the economy moving from recession to recovery. Our core message is that we are on the road to recovery, but we're not going back to the economy that existed before the recession began. There are some very fundamental changes going on.

The first one is a very broad slide that shows a variety of countries that have gone through economic setback and are on the road to recovery. As you will note, whether you're looking at Canada—and I've shown Ontario in this particular slide—or the Euro zone, Japan, Mexico or the US, there were big setbacks in 2009. These bars simply represent annual rates of growth. So when we look at 2010—and, in some countries, 2011—what effectively is happening is that these economies are filling in the hole that was dug during one of the most vicious recessions in our lives. In Canada and the US, much of the recovery phase will be completed by the end of 2010. What I mean there is, we'll get back to previous levels of GDP before the recession began. But in places like the Euro zone or Japan, the recovery process will not be fully completed this year; it's a multi-year project that may well extend into 2012.

The point I would like to make on this particular slide is that in good years and in bad years, the emerging world is performing at a much more rapid rate than the developed economies. The ones that Ontario depends upon, that Canada depends upon, effectively are the traditional economies of the US, Europe and Japan. But on a go-forward basis, sticking with those markets and with those industries that we have tended to rely on over the last decade or more and ignoring emerging markets, in my view, is a losing strategy. We have to adapt very quickly to the type of growth realities that exist in what I would call a substantial shift in the global environment.

This particular chart looks at industrial production in two key economies: the US and China. As I said earlier, the difference is rather astonishing in terms of performance. Both economies had a very substantial decline in overall rate of growth, and in the US a very substantial decline in overall activity during the recession. The bounce-back in both economies is very impressive, but on a go-forward basis, the actual price of commodities, whether it's oil, nickel, copper, zinc or aluminum—I've shown a variety of those on this particular chart—will increasingly hinge on the performance in the emerging world, because that is where all of the net increase in demand is going to be. We have seen oil, for example, during the depths of the recession, fall from $145 down below $34. Now that the recovery in industrial production is under way, it's moved back into the mid-$70 level. But on a go-forward basis, it will be the growth in China in particular and emerging markets in general that will determine its price path.

In our view, and as shown in the previous slide, with countries like China and India going to expand fairly rapidly at least over the next few years, the bias in commodity prices is going to be higher. Our view for the average dollar price of oil this year is around $90. Given its volatility, who knows whether that's bang on the mark or not. It could be significantly different from that level. But the risks are on the upside, not on the downside. With the emerging world growing very dramatically, inevitably I think you'll see upward pressure on commodities, and in many cases Ontario businesses, of course, are consumers of these commodities.

Another change that has occurred very substantially is in where we export goods. The pie on the left simply looks at our estimate of what was exported from Canada last year, and you will notice that it has a commodity

component that represents nearly half of the total. If you went back to 2000, auto exports represented about 23% or 24% of total Canadian exports, and commodities represented a third. Now commodities are nearly a half, and vehicles and parts are down to about 12%. The market has changed very, very substantially.

On the right-hand side is simply market share of various countries in the US. You'll notice that Canada has been on a declining trend. In fact, if you subtract out Ontario and look at the rest of Canada here, the line shows a decline as well. If I were looking at what the components of that Canadian line have been, increasingly it has been on the commodity side. Excluding commodities, the decline has been much more significant.

The big gainer, obviously, is China. Do we expect that to continue? Yes. So, increasingly, I suspect we're going to see the US market as a slow-growing market, and market share by Canada in the US marketplace going down rather than back up.

Motor vehicle production, which is very, very important to the Ontario economy, has gone through a big transition. This chart here simply looks at sales and production globally. What I have here, and this is an important point to make, is not only cars and light vehicles—passenger vehicles—but also trucks. You can see not only the decline in North America and western Europe and Japan, but the enormous increase in China in terms of overall sales. Carlos Gomes, our auto analyst, has recently produced a report on the global auto sector that suggests a bounce-back in overall sales this year and next.

0910

At the end of the day, we're not going back to levels of sales in countries like Canada, the US, Europe and Japan that prevailed during the last good year before the recession began. At the same time, the strongest-growing markets in the world, with double-digit increases on a year-over-year basis, are countries like China, India, Brazil, Chile and Peru. Effectively, the global auto sector is faced with a very significant reality, and that is the markets that are growing are in the emerging world; the markets that will be going sideways, with not a whole lot of increase in overall demand on a medium-term basis, will be in the traditional markets such as Canada, the US, Europe and Japan.

On the production side, which are the bars on the right, you will notice that China has moved up very substantially on overall vehicle production. The US had a very substantial fallback—and this is production for 2009. The numbers that are in the shaded areas are very important. That shows the overall change in production between 2002 and 2009—again, making the point that the developed world has tended to be stagnant to declining at best, whereas the emerging world has shown growth rates that are absolutely astonishing.

So, on a go-forward basis, when we look at the Ontario auto sector, effectively what we are seeing is a production sector that will be depending on a fairly stable, perhaps stagnant, market on a longer-term basis, even though we are in a recovery phase right now. The big-growth dollars, the dollars that GM and Ford and Volkswagen and a variety of other manufacturers will be investing globally, will be offshore in the emerging world.

The US has hit bottom. We are on the road to recovery there. On the left-hand side, you can see that housing starts have stopped going down and inventories have begun to correct, but that market has a long way to go before it will be back to anything considered normal. In fact, on a go-forward basis, one of the key points of our forecast is that after we get by the initial recovery phase that is being dominated by inventory corrections and government spending, we will probably be into a slow-growth mode in 2011 and 2012, and the US housing industry probably will not be back to a healthier phase until at least 2012—so slow-motion revival in the US economy. On the right-hand side, one of the reasons for this, of course, is that while the housing market has tended to hit bottom, foreclosures, whether they're in the subprime area or prime, are continuing to rise. That is a lagging indicator, much like job creation. It tends to lag behind the overall turn in the economy.

So the good news is we're in the recovery phase, but the reality is it's going to be a very slow-motion revival over the next couple of years.

Inflation, in our view, is not something that is going to go materially higher. We have hit the bottom for inflation, but the rise in overall inflationary pressures is going to be fairly limited because we've got a lot of excess capacity in industries globally. Nevertheless, it is on the rise, and that will put upward pressure on interest rates.

Interest rates have been set at emergency levels in most developed economies. That is definitely the case in Canada and the US. Even in a slow-motion revival, we are going to see interest rates move off emergency levels and going higher. The current level of interest rates will not prevail a year from now. Both short-term interest rates and longer-term interest rates are headed higher. That will impact prime lending rates. That will affect mortgage rates, both variable and term. So one of the key messages I give to groups and to our clients is, don't expect the current interest rate environment to be around much longer. In fact, our view is that between the middle part of this year and the middle part of next year, short-term interest rates controlled by the Bank of Canada and Department of Finance will have moved up roughly two full percentage points—still low, historically—and the longer-term interest rates will have moved up at least one percentage point.

Canada has fared better in a wide variety of indicators than the US. On the left-hand side, simply looking at government budget balances, federal balances in Canada and the US, you can see the enormous discrepancy. Trade balances, the same sort of thing: Commodity prices going down dramatically reduced our trade surplus and moved it temporarily into deficit territory. But in this particular case as well, we have performed much, much better than in the US.

In a way, when you look at our comparatively better performance and remember that Canada is a commodity-rich country in a commodity-short world and go back to the statement I made with respect to the second slide that commodity prices are headed higher, the overall tendency is for the Canadian dollar to rise. The Canadian dollar moves very, very closely with respect to commodities. It fell sharply during the commodity price crash. It has moved up significantly since then. In our view, businesses and Canadians in general have to get used to a currency around parity. I would not be surprised if we test parity in the next 18 months and, in fact, move above parity over the next couple of years.

Again, Canada has performed much better with respect to the housing market and vehicle sales in comparison with the US. Canada is shown in the top panels of both of these diagrams. You will note, however, if you go into the provincial area, the setback in provinces such as BC and Alberta is much sharper, tending to be related to the commodity cycle, whereas, if you look at Ontario, the overall trend performance has been softer for some time.

One of the things that stands out in terms of the Ontario performance and overall economic activity is that, for the decade that we have just left, Ontario has tended to perform in growth below the national average. One of the things that we would expect on a go-forward basis is for Ontario to lag behind the national average over the next five years. The key issue on a go-forward basis is whether the current system of federal-provincial transfers, which drains over $20 billion from Ontario annually to support activity in other provinces, is realistic in the type of environment that we are currently living in.

The Vice-Chair (Mrs. Laura Albanese): You have about a minute and thirty seconds left.

Dr. Warren Jestin: Going forward in terms of national growth, I've already made this particular point in terms of overall performance, not only in the historical past but on a go-forward basis. During the 1990s, Ontario led growth; during the period from 2001 to 2008, it tended to lag the national performance; and for 2009 to 2011, this underperformance continues.

In summary, if we look at the overall outlook, Ontario, Canada and the developed world are on the road to recovery, but it's taking us back to a much different world than what existed before the recession began. That's my presentation today.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that. I will now turn it over to Mr. Barrett.

Mr. Toby Barrett: Thank you for presenting this morning. I have just a very brief question. You mentioned stimulus funding. Is there much of an indication or is there any evaluation being done with respect to job creation, with respect to both federal and provincial stimulus funding? I'll just throw in my supplementary question as well: Is there any suggestion this should continue in the next budget year, this kind of spending?

Dr. Warren Jestin: It's a difficult question, whether it's a question asked in Canada, at the provincial level in Ontario, or in the US, the UK and the like. I believe that if we hadn't had stimulus from the governments in those economies—huge stimulus—we would not have been in a recession; we probably would have been in a depression. I think it was absolutely essential. In terms of support for the economy, I think we would have lost a lot more jobs if that stimulus wasn't there. Moreover, in Canada, we have turned the corner on job loss. We are back into a period of job creation, and the reality is the government is accounting for a very good share of overall recovery and, in fact, growth that we have seen in recent months.

That said, on a go-forward basis, as the economy recovers, we have to rely much, much more on the private sector. Government deficits have gone up to levels that, if they continue, are going to be very, very difficult to turn around because of the cumulative impact on the debt. So I think we are in, this year and next year, a transition year from pedal-to-the-metal stimulus to one in which we figure out how to cut down the growth in spending and to make sure that we're on a sustainable base in terms of revenue generation.

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Mr. Toby Barrett: Okay, thank you. We have some more questions.

The Vice-Chair (Mrs. Laura Albanese): Mr. Shurman.

Mr. Peter Shurman: Dr. Jestin, interesting presentation. I'm recalling from last week a presentation by the Canadian Manufacturers and Exporters Association, who told us that over the last decade, even two decades, Ontario's choice was quite different from some of the emerging countries in terms of manufacturing. Even in the States, manufacturing investments tended to be toward productivity—robotics and such—whereas Ontario's investments—Canada's in general, but Ontario's particularly—were in people, keeping unions happy to some extent, keeping people employed to another extent, but those were choices. If it were 10 years ago, would you have foreseen that and, looking 10 years out, what's the expectation with regard to the employment possibilities for the manufacturing sector?

Dr. Warren Jestin: Hindsight is always 20/20. You've got to remember that a decade ago the currency realities were very substantially different than they are right now. I think the forecast that we have of parity and perhaps above is holding many businesses' feet to the fire to adjust in terms of productivity levels and I suspect you're going to see that improvement.

In Canada, we tend to rely more on small and medium-sized businesses for job creation. I suspect, as we go forward, we're going to see the industry structure change. Industries that will be successful at least will be higher skilled, more mobile, more focused on global supply chains or niche markets. That shift by itself will lead to stronger productivity growth and an increasing reliance on productivity-enhancing investments.

Moreover, the change in the tax structure that we're seeing under way right now I think will support that; that

and the fact that a higher Canadian dollar allows technology imports at a cheaper rate. All of those things should work to remedy the type of underperformance we've seen in the productivity level.

Mr. Peter Shurman: So is it fair, then, with that answer, to say that if people think along those lines, 10 years from now we should have a healthier situation, if we do it right?

Dr. Warren Jestin: If we avoid putting all our money in the familiar and the traditional industries and the traditional export markets and start focusing on the unfamiliar, where the growth opportunities really are, I think we will do very well. I should point out that the strongest-growing industry in the world, in my view, over the next 10 years is going to be one of these new industries, and that is the industry associated with improving environmental outcomes and energy efficiency. That sector by itself will create an enormous amount of jobs on a go-forward basis.

Mr. Norm Miller: Is there any time left?

The Vice-Chair (Mrs. Laura Albanese): We have 20 seconds left.

Mr. Norm Miller: Twenty seconds? Thank you very much for your presentation. I note that you're predicting that interest rates are going to go up and you also noted that government debt sounds like it's at the outer limit of what it should be. Am I correct in that?

Dr. Warren Jestin: We believe interest rates are going up; debt levels are not the issue per se. It is deficits which cause growth and debt at a rapid rate. The reality is, however, in almost any jurisdiction that the type of slow growth that we're predicting in the future is going to lead to a very long period of deficit turnaround. Doing it in five to seven years would be an extraordinary achievement in the type of growth environment we see.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. We want to thank the Scotiabank Group for—

Interjection: The NDP still gets five minutes.

The Vice-Chair (Mrs. Laura Albanese): Oh, they still get five minutes? I'm sorry. My first time, so I thought it was—okay, then.

Mr. Michael Prue: Just going through a couple of your charts, on page 5 you have that Ontario exports have declined internationally between 2000 and 2008, but surprisingly you have interprovincial going up. Can we expect that is going to continue, or no?

Dr. Warren Jestin: The shift from international to interprovincial in Ontario in part reflected the pull of western Canada and the boom that existed in the resource sector. I think on a go-forward basis Ontario has an opportunity to have rapid growth in international as well, but what we have to do is look at new markets as opposed to traditional ones, and that includes the auto sector. If you look at Mexico, a share of auto sector exports from Mexico is going abroad. Our auto exports tend to go exclusively into the US market, which is slower growth. So I think you're going to see the shape of international exports go in a different way. I think there's equal opportunity to grow on the international side as there is on the interprovincial side.

Mr. Michael Prue: You talked about emerging markets. Everybody talks about China and India, but they don't talk so much about the markets in South America, those being Brazil, Peru and Chile, which are starting to move quite rapidly. Is that where Canada's future lies?

Dr. Warren Jestin: Well, you're talking to somebody from Scotiabank, and we have major investments in that region. We're very bullish on a longer-term basis. In fact, I think the point you're making is very important: While the rest of the world tends to be looking toward Asia in terms of the outlook—and that's important—we should also not forget markets that are in our hemisphere. We think that Brazil in particular, Mexico, Chile and Peru are economies that have enormous growth potential, because you effectively are creating markets in those economies as we speak.

Mr. Michael Prue: You have other charts that intrigue me. Let me get to them here. Toward the back, you show motor vehicle sales declining—but in 2011 going back up to periods approximating 2000-08. You have them at 1,605,000—and in 2011, going back to 1,570,000. That's a rebound almost back to where we were. What will we be buying? Obviously not made-in-Canada cars.

Dr. Warren Jestin: The point you're making is very important. We're going back to a longer-term average. We're not going back to the peak years that prevailed around the middle part of the decade. Moreover, most auto analysts will tell you that over the next five to 10 years—we're making cars that last longer, we're going into demographics that tend to be more cautious spenders. All of those things tend to keep stable but not growing markets. We're certainly doing a whole lot better than the US. If you look at exactly the same one, you're going to see that American overall vehicle consumption is not going back. That's very important for Canada because, of course, many of the cars we produce in this country are destined for the US market base. In Canada, we do have a lot of Canadian-made cars that are sold in Canada, but we have a lot of imports as well, and that will continue. We're not going to be producing the cars that Canadians consume, because it is truly a global market.

Mr. Michael Prue: On page 8 you have, in the short term, the Canadian dollar in the fourth quarter being worth \$1.05—or the US—then down to \$1.02 and then \$1 in the second quarter, which is only a couple of months from now, and then I see right down to 95 cents within the year. Is this the forecast? I didn't quite hear that from you when you were speaking.

Dr. Warren Jestin: We have a quarterly forecast for the Canadian dollar that, given the volatility, is indicative only. We would expect rebounding commodity prices to bring the currency up toward parity and the like. As the US begins to raise interest rates and is performing better than Europe and Japan next year, we may even see the

Canadian dollar tend to level off and temporarily go back low.

You have to remember, in the last 20 months we've had the Canadian dollar as high as $1.04 and as low as 77 cents. So in any given quarter, the forecast has enormous risks in it. But I think the tendency, in our view, for the emerging markets to get stronger and commodity prices higher brings the Canadian up on a trend basis. I wouldn't put much stock in a quarterly estimation. We're just trying to get a general idea as to what the trend would be, based on our quarterly production forecast.

Mr. Michael Prue: Is this related—

The Vice-Chair (Mrs. Laura Albanese): I'm sorry, but the time has expired. I will now turn it to the government side. Mr. Flynn?

Mr. Kevin Daniel Flynn: Thank you very much for being here this morning. I think you spent the 15 minutes quite wisely, because you included an awful lot of information in that period of time.

What we are all looking for here is some indication as to what direction we should be going in, and if the trends we're seeing from a global perspective sort of mirror the actions that are being taken by the provincial government. I got the impression that you were saying that Ontario has started off on the right track and the recovery is going to be slow.

0930

The points that I heard you make were on the stimulus—that the stimulus had been a good idea, that the deficits that resulted as a result of the stimulus spending was money that was well spent. But if you're like everybody else in the province of Ontario, you're looking for the days when we return to the balanced budgets, and we need a plan to get to that point as well. That plan has got to be a realistic plan, and we shouldn't be fooling ourselves that we're going back to the economy that existed before, that our planning to get ourselves to a balanced budget is going to be in a different—those decisions will be made in a different economy.

There was a lot of debate last year about the tax reform that was implemented by the province of Ontario, and that included such things as corporate tax reductions, income tax cuts and the upcoming HST introduction on July 1. Some people have been critical of that; some people have been quite favourably disposed to that. Can you give us an indication of what the investment community, and especially in the international markets, makes of the tax reform package that has been implemented by the province of Ontario?

Dr. Warren Jestin: I think the tax reform package is seen as very constructive on a longer-term basis. I mean, whether it's looking at the business tax environment or the HST, which has a lot of controversy associated with it, on a longer-term basis it makes Ontario more competitive.

Moreover, we're not dealing in a static environment. If you look south of the border, many state and local governments are in crises that are substantially worse than we are seeing here. In fact, I wouldn't be surprised over the next three to five years if state and local taxes are on the rise and ultimately, because of the huge shortfall that Washington faces, that federal government taxes are forced higher as well. This suggests, on a medium-term basis, that Ontario may even improve its overall competitive position with respect to the tax front, and that is very, very positive for business.

On a balanced budget basis, the key issue, the key challenge, going forward in a slower-growth environment, is reining in the spending trends. Quite honestly, one of the key problems there is health care. As we have pointed out to numerous audiences, the simple reality is that when you're 60, the government is spending twice as much on your health care as when you're 20. When you're 70, they're spending twice as much as when you're 60. I'm on the vanguard of the baby boom here. I'm going to be moving from 60 to 70 over the next 10 years, and over that period of time, I'm part of the problem in terms of driving health care spending. We have to wrestle that issue to the ground or we will not have the money we need to spend on education and skills levels that are absolutely essential in a globally competitive environment.

Mr. Kevin Daniel Flynn: Two other points I'd like some brief comments on: You were saying that this could be a personal opinion of yours, or maybe it's an industry opinion, that the growth potential of the environmental and the energy-efficiency markets is something Ontario should be looking at, and perhaps—does the Green Energy Act that has been implemented assist in that regard?

Dr. Warren Jestin: I think those industries are seen as top choices in terms of medium-term growth potential, in part because of the emphasis on global spending amongst governments and in the private sector. We've got to be part of that.

Allowing a competitive tax environment to nurture growth in that sector, I think, is very important. I think it's also critical, though, that we don't try and pick winners and losers on a specific basis. We've got to establish a globally competitive tax environment, and the winners will rise to that particular reality.

Mr. Kevin Daniel Flynn: Final comment: I noticed—you may have mentioned it, but it's in the written part. You're saying that the transfer payments that are in effect between Ontario and the federal government no longer reflect the Canadian economic reality. Could you just pass a brief comment on that?

Dr. Warren Jestin: This is an issue that I've raised at this committee before. It's a very clear one. The transfer payment mechanism that was set up was set up when Ontario was Canada's growth leader, when it was having a very, very strong performance on a trend basis. Things have changed very dramatically.

When I look forward, the provinces that are going to tend to be growth leaders going forward are resource-producing regions. To the extent that Ontario is in a slower-growth mode, balancing the books requires enormously more adjustment, enormously more challenges,

than if we had a transfer system that reflected the current growth potential and economic performance in Canada. I'm worried that, in going forward with the current transfer system, we have to cut back much more in areas such as social support and health care than we would otherwise.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. The time, unfortunately, has expired. Thank you for appearing before the committee this morning.

Dr. Warren Jestin: It's a pleasure.

CANADIAN FEDERATION OF INDEPENDENT BUSINESS

The Vice-Chair (Mrs. Laura Albanese): We now call the Canadian Federation of Independent Business to come forward. Good morning.

Ms. Catherine Swift: Once we get our technology organized, I'll introduce ourselves.

I'm Catherine Swift, president and CEO, Canadian Federation of Independent Business, and I'm accompanied by my colleague Satinder Chera, who is our vice-president for Ontario.

We have a little package that I believe you've received. There are a number of documents in it. As you'll see, we tried not to overload you too much. I'll be referring to them in the course of our overview presentation, in which a slide deck is also included.

Just a couple of brief comments about CFIB: Next year, we're going to be celebrating our 40th anniversary. We're currently the largest individual membership business organization in Canada. We have over 105,000 members across Canada and, of course, a good chunk—about 42,000—here in Ontario. We basically represent every sector of the economy. The commonality among our members is that they're all Canadian-owned companies and they're all privately held companies. Part of our interesting history is that RIM used to be a member of ours before they went public. But we do represent the small and medium-sized business sector of the economy.

All of our policy positions are based on input from our members; it's not what I or Satinder or anyone else cooked up that morning. We're 100% financed by our members, which is very rare among business associations; most of them accept money from large corporations or governments.

Just moving ahead to the demographics of the Ontario small business community: Naturally most firms in the province are very small, as you can see by this pie chart. That's pretty reflective of the country as a whole, so Ontario is fairly typical that way. What is interesting is, during our recent recession we actually saw employment in the small and medium-sized business community stable or increasing. Certainly some sectors got hammered—we have a lot of members in the manufacturing sector—but others picked up the slack. What you see with small and medium-sized businesses is that they're an amazingly stable part of our economy, so policies that help them tend to help with job creation and stability overall. Virtually all of the job reductions that happened over the recession came from large corporations.

"Business Barometer" is a survey we do monthly now; we originally did it annually and then quarterly, and then in June last year we started doing it monthly. It has turned out to be an immensely useful tool to gauge what the economy is doing. The last one was the end of last year; we'll be releasing the January numbers in the next few days. We saw recovery happening around the early part of last year. Although it's bopping around a little bit, as you can see, basically what this represents is the confidence level of business owners. Again, as you can see from the chart there, it tracks GDP very well. So we find that policy-makers and finance ministers, governments and private sector economists are using this as a very good gauge of the economy overall.

When we look by province, you can see that the Ontario number is virtually identical—it's off by a couple of tenths of a percentage—to the national numbers. Of course, Ontario is about 40% of the national economy, so that's not too shocking. It's kind of the middle of the pack in that sense.

When we look at the cost concerns of the small business sector, you can see that tax and regulation are clearly number one, and those are things that are very much within governments' control. Some things, of course, we don't have as much control over, but those we have a lot of control over.

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Insurance costs are bopping up again. We anticipate concerns. As you may recall, back in 2002-03 we had a terrible shock to the system with respect to insurance costs going up, and for small firms this tends to be a lot of the commercial cost. It's not necessarily auto-related.

When I heard Warren talking about the dollar—it's very interesting how the value of the dollar has kind of an interesting impact on small and medium-sized firms. We track this very regularly. At any given time, no matter how high or low the dollar is, we get a very consistent result, which is that about half of the small business community feels it does not have a direct impact on their business; about a quarter would like it higher; about a quarter would like it lower. So overall, it's kind of a wash. I know the large corporate sector is very acutely affected and certainly commodity markets are very acutely affected. But when we aggregate the impact across the whole small business sector, which is roughly half the economy in Ontario and nationally, we actually find it doesn't have that huge an impact. So when we see variations in the dollar, I think that's one reason we see the stability that we see in the small business sector.

Energy costs, not surprisingly, are also a major factor, and wage costs as well. Seeing increases in things like minimum wage, naturally, factor into that.

When we look at employment plans in Ontario over the next few months, which is the time frame we look at, as you can see, when we look at full-time employment, we've got a very significant portion of the sector saying that they will either keep the employment the same or

increase it. Part-time is a little bit different. One thing we always see at the beginning of a recovery is initially you see part-time employment start to grow, and the reason is because when there's still instability, a business doesn't want to necessarily commit to full-time. Once we see recovery stabilize and people's confidence increase, that converts into full-time employment. A lot of people think part-time is not a good sign, but that's not true. It's often just the precursor to more full-time employment.

When we look at the issues that are most important to small businesses: Again, total tax burden is perennial number one, and government regulation and paper—again, two factors we have within our control.

Naturally, our small businesses are acutely concerned about debt and deficit levels. They know that just represents the need for future taxation and less money to spend on things that people want to spend it on: health care and so on.

Workers' compensation has certainly been a big problem and an increasing problem over the last little while, and I want to get to that later.

When we look at this chart, it's pretty stark that we've got a spending problem in this province. We track things like inflation and population growth to get a rough gauge—it's not perfect—and obviously, spending has taken off like a rocket, compared to those other two factors. Debt per capita, naturally, as well, has increased, and when we see large deficits we obviously see debt per capita at a higher level.

We asked our members recently, "In what time frame should the Ontario government balance its budget?" Just under 50%, I think, took a pretty measured approach: in the medium term, and we define that as about five to six years. That is very feasible. And again, although there was a certain proportion there that would like it to happen faster, I think they're being quite sensible in realizing that we have a very large deficit and it's not going to be done painlessly and overnight.

Again, this next chart, not surprisingly, really—I would think most Ontarians would probably have similar views as to their priorities that they want to see, if less spending is contemplated.

When we asked our members what they wanted to do to help Ontario address its deficit, cutting back costs in the public sector is a logical target. The public sector has grown in Ontario through the recession, which really is not a particularly sensible policy. You can see there the lists of possibilities.

The next chart speaks to some research that we have done which has been backed up by other organizations about provincial government wage advantages, and naturally we've done it across the country. The advantage in Ontario, just on comparable jobs in the Ontario public sector versus the Ontario private sector: There's a 13% wage advantage, but that advantage jumps to 28% when pensions are included. Of course, there has been a lot of discussion about pensions, something that we've done an awful lot of work on, as have others. The public sector, not just in Ontario but across the country, has been virtually untouched by what has happened in terms of private sector pensions, and that simply can't continue. You can't keep this reverse Robin Hood of asking low-income people in the private sector to subsidize very rich pensions in the public sector.

Politicians in Ontario, under the Harris government, actually got rid of the gold-plated pensions that prevailed here previously and have the same sort of arrangements that the rest of us private sector people have. So you would actually have the moral authority to talk to the public sector and say, "There has to be some reasonableness here." I think freezing would be an eminently sensible strategy to try to get things back into a bit of fairness for private sector workers.

Tax policy going forward: Again, the largest chunk in response to our survey said keep to current tax plans. It was definitely positive to reduce the small business corporate income tax and personal income taxes and to get rid of the surtax. Those were positive moves. There's always an appetite for cutting taxes further, not surprisingly.

It's interesting, when you look at the next slide, which shows what forms of taxation have the most negative effect, we find it's payroll taxes and sales taxes. Certainly there are federal payroll taxes and, of course, workers' comp and the health tax here in Ontario, as well as property taxes, in a way—that's not a payroll tax, but it is a profit-insensitive tax. And of course, sales taxes are a big impact.

When we look at the next slide, which deals with the HST in particular, our business members feel that by far the biggest challenge will be the reaction of customers. There's no question there will be administrative improvements; administering one tax instead of two is always preferable. Administering none would be great, but probably not realistic. Of course, the underground economy is also a big concern, and that would vary from sector to sector.

I think one interesting factor with the harmonization of the sales tax is the fact that we don't seem to see any efficiencies on the government side. Surely, if one tax is being collected instead of two, you should be able to downsize significantly what used to be a large, large bureaucracy administering the previous PST.

In terms of adjustment costs, on average we see just under $4,000 for a business. Naturally, the very smallest firms, because they don't have the administrative capacity, are the most the affected.

I just want to speak briefly on WSIB. What we've seen is some major deterioration, in a number of different respects, of the workers' comp system in Ontario. We have, of course, seen the move to mandatory WSIB coverage for the owners and officers of construction—a totally questionable policy at best—railroaded into law in record time. Clearly, there was something to hide there, or that process wouldn't have taken place like it did. We find the vast majority of our members who are in this position already have private insurance, and the private insurance is way better than what the WSIB provides. It

tends to be 24-hour and so on. So we ask ourselves, if a firm can prove they have private coverage, why should they have to be forced to be covered under the very ineffective and mismanaged WSIB?

When we look to the unfunded liability—well, the chart speaks for itself. For some reason, benefits got indexed. That accounts, I would say virtually completely, for this increase in the unfunded liability. After we saw the auditor's report last year, which showed how very mismanaged the WSIB was, the minister snuck in—just before Christmas, I think it was—another piece of indexing, increasing the unfunded liability even more. The last thing we need right now is an increase in premiums, yet how do you account for this if you don't have an increase in premiums? We recommend some kind of outside review of the WSIB that's truly neutral to try to get at the serious problems there.

The next slide speaks to the regulatory burden. Again, workers' comp and occupational health and safety come up at the top, for those reasons. Our members are very pro-safety. They have been very proactive in so many areas, but the burdensome and very costly, inefficient oversight of that is the problem there. Again, down the list are sales tax and so on.

I just want to wind up with some general recommendations. In terms of the total tax burden, we believe if we could see a lower combined HST rate, that would go a long way toward improving both business and consumer acceptance of the HST. We'd also like to see an increase in the small business transition credit; there are some monies that are included there, but we don't believe they reflect the true cost. And refrain from increasing payroll taxes—again the most pernicious form of taxation for the small business sector.

Also, the minimum wage: Having minimum wage increases in the midst of a recession is very questionable policy. If you really want to help low-income people, the best way to do it is to lower income taxes on them. You can target lower-income groups. Minimum wage increases just tend to ratchet through the whole economy and not benefit the group that you are supposedly trying to target.

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Also, reject the proposed disposal levy on residences and businesses. Business already pays many, many times over through the property tax and through extra fees for things like waste disposal, so adding yet another cost is really dubious.

In terms of debt and deficit, we'd like to see a detailed plan to balance the budget over the medium term, five to six years, and address the accelerating pension benefits gap between private and public sector workers.

In terms of government regulation and paper burden, track and regularly report the number of regulatory requirements. We have seen this approach be successful in other provinces. We are pleased to see this Open for Business initiative that has been introduced, but we haven't seen any action yet. So talk is cheap, but we would like to see some follow-through with that.

In terms of workers' comp, we'd like to see an independent review of the WSIB and an amendment to Bill 119 to permit private insurance coverage in construction, because that would accomplish the goals that the government purports to want to accomplish. We have a summary of recommendations in the package for a little more detail.

At this point, I would welcome any questions or comments you may have.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation. I would ask the official opposition, Mr. Miller.

Mr. Norm Miller: Thank you very much for your presentation. It kind of agrees with the first presentation of Dr. Warren Jestin, where he said that the future is small and medium-sized business in terms of jobs going forward. He also said that the government shouldn't be picking winners and losers, and that's something that this government seems to do. Do you have any comments about that?

Ms. Catherine Swift: Yes. We've always said that government can't pick winners, but losers can sure pick governments. There's a whole subclass of businesses we call "grantrepreneurs." They're very good at extracting money from governments, but they're not too good at running a business. We all know the fiascos we've seen over years and years and years. So yes, get the environment right and the businesses will come. I think we have a lot of advantages.

I agree generally with what Warren said earlier with respect to where we're going to see the growth. We know a lot of our older industries, manufacturing and so on, are going to have to be a lot smarter. We are going to have to deal with the dollar at parity and all that. I certainly agree with that. But if we can—and I think some of the tax reductions we've seen recently are a step in the right direction. The HST ultimately will be a better tax than two taxes, but again, why can we not see other efficiencies brought to bear like downsizing the cost of collecting it and so on?

But no, governments are never successful at picking winners, and unfortunately they waste the good businesses' money to put it on the bad. I guess the auto sector was a pretty good example of that over the last couple of years.

Mr. Norm Miller: We have a record deficit in the province of Ontario right now, at $24.7 billion. Are you concerned that the government doesn't appear to have a plan to get us back to a balanced budget?

Ms. Catherine Swift: Well, that was why we included the recommendation we had. We've seen that if a plan can be put together—and a multi-year plan, because that's really the only way you're going to tackle it. You need the political will, obviously, at the outset, but if you can put a multi-year plan together—and we saw that it was successful at the federal level back in the 1990s. I would simple hope that the general public—and certainly our constituency usually has a more heightened concern over deficits than your average individual, but I think all

Canadians and Ontarians probably realize what we saw back in the 1990s, having to make some abrupt changes. Let's put in place a plan now so that a few years down the road we're out of it. Also, Ontario is in very serious financial trouble right now. We're going to be seeing downgrading of bonds, which increases your costs, and you get into that vicious cycle. The best thing to do is to put together that plan, which could well help forestall a lot of those developments because you've got a plan. Then, of course, you have to stick to it.

Mr. Norm Miller: Regulations and red tape are a big concern for your members, as demonstrated by your slide deck. What would you like to see government doing in terms of addressing that issue? You brought up the WSIB, and you mentioned Bill 119, where mandatory coverage is required. Does it look like the government is tackling that issue? What would you like to see?

Ms. Catherine Swift: I think on that one it's quite simple. The supposed objective in construction was to bring people out of the underground economy. The kind of farcical nature of that is that it's going to put more people in the underground economy. Imposing more rules and regulations and costs never has the impact of pulling people out of the underground economy—quite the contrary. If businesses can prove they are already insured, and the vast majority are, then why would they be forced under the poorer coverage of WSIB? That makes no sense. So what we're asking is—it hasn't been imposed yet; it's not going to be imposed for another year or so—if you're already covered, why can't that be a reason you don't have to come under WSIB? The coverage is better. It's even better insurance coverage at a lower cost.

On the red tape issue writ large, we've had some pretty good success with a few governments across Canada. It's serious work. We don't underestimate the work involved, but provinces have shown they can measure the burden, actually measure the amount of touches they do to a business. Sometimes it's as simple as something you do quarterly. Maybe you can do it annually. Sometimes you can remit something on a different schedule or whatever. There is the fact that Ontario and the feds are collecting corporate income tax together instead of doing it twice.

All those things can really add up to something significant, at a time, too, when governments don't have a lot of money to throw around in the way of tax reductions; I'm not talking about subsidies. This is a great way to improve productivity at low cost. I would say you would even reduce governments' cost if you could get this more efficient. You wouldn't need as many bureaucrats pushing paper.

So we do have a model that works. Like I say, we've seen the Open for Business initiative announced, but what we need now is follow up with action.

The Vice-Chair (Mrs. Laura Albanese): Thank you, and I would now turn it over to Mr. Prue.

Mr. Michael Prue: Yes, a few questions here, just on some of your charts. On page 11, "Provincial Debt per Capita," you show it going from $10,000 in 1997, or approximately that, to $13,013 today. Was inflation taken into account in this?

Ms. Catherine Swift: I'm not sure if it—

Interjection.

Ms. Catherine Swift: This is a budget paper, so this is real money. This would be real, so no.

Mr. Michael Prue: The reason I ask is, if it was $10,000 in 1997 and $13,013 today—I go back to the chart just before that, which shows inflation in that period was 27.3%—it is almost exactly the same as it was in 1997.

Ms. Catherine Swift: I'll have to look into that because I didn't do this particular table, but it's kind of tough to buy because we haven't had huge population growth in Ontario.

Mr. Michael Prue: I didn't do growth because it's per person—

Ms. Catherine Swift: It's per capita.

Mr. Michael Prue: Yes, exactly. I've taken that one out.

Ms. Catherine Swift: But I'm looking at the overall debt levels.

Mr. Michael Prue: Just the inflation, $10,000 and 27% on top of that, would take it a little over $12,800, approximately, and if it's at $13,000, that's only minuscule. Given everything that's happened in the last year, that's a minuscule increase.

Ms. Catherine Swift: But I don't believe Ontario ever paid anything down on its debt, did it?

Mr. Michael Prue: Okay.

Ms. Catherine Swift: It has just added to it. It wasn't like the federal situation. Ontario never paid anything down.

Mr. Michael Prue: Okay. The next chart, again—and I listened to what Mr. Jestin had to say. Seventy three percent of your members are suggesting that we should in the medium term, five to six years, or seven years or longer, try to balance the budget. I would take it they're looking at a five-to-10 year period to balance the budget. They're not asking that it be balanced right away; is that correct?

Ms. Catherine Swift: Absolutely, yes. They're businesspeople. They realize that it's very tough to eliminate such a sizable amount in a short period of time. I think they're being pretty commonsensical, actually.

Mr. Michael Prue: But your own comments were that we should be doing it faster.

Ms. Catherine Swift: No, they weren't.

Mr. Michael Prue: That's what I thought I heard.

Ms. Catherine Swift: I didn't mean to say that if it came out that way. No, I think they're actually pretty logical. I said in a perfect world everyone would love to see it disappear tomorrow.

Mr. Michael Prue: Maybe that's what—

Ms. Catherine Swift: But realistically, I think they're being quite sensible about it.

Mr. Michael Prue: In chart 15 your members talk about the wage differential and you talk about the pensions.

Ms. Catherine Swift: Right.

Mr. Michael Prue: Just to deal with the pensions: Public employees, both federally and provincially, pay enormous amounts of their gross—

Ms. Catherine Swift: I realize that.

Mr. Michael Prue: —into the pension. You can't take that away. They've paid it, some of them, for—

Ms. Catherine Swift: We're not saying take it away. We're saying freeze it. The federal and provincial employees—the taxpayer is required to match what is put in by the employee. I don't begrudge anyone saving for their own retirement. Knock yourself out. But you will never find a private sector program that is as rich as all of these public sector programs, and right now you are beggaring the private—and it's not just Ontario; I said it's right across the country and some are worse than others. You will never find a richer pension than you will get in the public sector, and you retire much earlier.

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We've done quite a bit of research on this. The public sector employee works fewer hours, makes more money now. It used to be the pension was a quid pro quo for lower wage levels, decades ago, but those wage levels have come up and exceeded the comparable private sector job, on average.

Any actuary you speak to—and we speak to them quite regularly—will tell you that something's got to give on the public sector pension front, because it has gotten way out of control and it's not even financially sustainable, even if you agreed that people in the public sector should get more than their private sector counterparts and should retire much earlier and so on.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Michael Prue: But I don't understand what your members are expecting to happen with this—

Ms. Catherine Swift: Why can't things be frozen? Compensation levels could be frozen for a period of time. The private sector should be permitted to catch up. I mean, you want to help lower-income people. The best way to do it is reduce their tax burden. In the last budget—a lot of people didn't notice it; one of my actuary friends did and brought it to my attention—$2 billion was put in for the next three years, simply to cover off shortfalls in public sector pensions. And you know what? That's not even enough. So there's $6 billion in a three-year period alone to deal with this. It's milking everybody dry right now, and we're going to have a crisis in it.

Warren was referencing municipalities in the US going broke and having to increase taxes. You know the main reason they're going broke? Their public sector wage and benefit burden.

The Vice-Chair (Mrs. Laura Albanese): Thank you. We'll now pass it on to Mr. Sousa.

Mr. Charles Sousa: Thank you, Ms. Swift, for your presentation. I've always enjoyed your perspective and the things you bring forward.

Page 9 talks about two main issues, as I see it, one being the tax burden and the other being government regulation as the priority issues affecting small business.

In regard to the tax burden—on page 17—PST was an issue. Reduction in corporate tax is another issue; reduction in capital tax is an issue; and reduction in personal tax, all of which we're trying to address in the tax reform that we're bringing forward this year. So I think you agree that we're attacking those very issues.

On a point around the paper burden to small business, it too is something that we've heard loud and clear from your organization over many years. It's important for us, then, in terms of that harmonization, to minimize the impact with the collection. You've referenced already that it's going to be done by the feds. It immediately reduces the burden on small business by about $500 million, I'm told. The effective savings over time would accrue, given the attrition of those services by those individuals.

I've got a couple of questions. My initial question is, do you see us going in the right direction as a result of these reforms?

Ms. Catherine Swift: Yes. We would have preferred a little more consultation on the HST front. It was announced kind of fait accompli. I think some other groups would have appreciated that as well.

That being said, we do believe that having one tax is better than two. A lot of it is the actual transition situation. These are why we're talking about maybe some increase in transitional credits.

Right now, Ontario actually does compensate—it's not huge money—small businesses for collecting the tax. But we're talking to the feds right now. Can we have something happen there, now that we're combining these two taxes?

Mr. Charles Sousa: That's fair.

Ms. Catherine Swift: So there's a lot of detail—we haven't got time here to belabour it all—between here and when we actually do it in five months, I guess it is. We need as much information out of the government to convey to businesses generally, small and large, and consumers, and we'd love to see it come down a point.

One of the reasons we saw a pretty darned good success in the Atlantic region—and I know it wasn't identical; we were quite involved in that as well. Part of the reason that consumers were pretty neutral about it was the rates came down.

Mr. Charles Sousa: We have a situation where we also have these input tax credits that flow through, representing about another $4.3 billion in savings—

Ms. Catherine Swift: Right.

Mr. Charles Sousa: —which is aside from the tax cuts that we're giving corporates and consumers, which, by the way, we spoke about briefly. About 90,000 of those consumers will no longer even pay tax. So we are

reducing the personal income tax substantially to those individuals at the lower end.

On page 10 you talk about the debt increase. We heard from Warren Jestin about the importance of the stimulus funding that governments around the world, for that matter, have done. Do you agree, then, that that was important for small business in order to achieve some of the situation that we're in? He mentioned the fact that we'd be in a depression, had we not actually done those stimulus funding and increases.

Ms. Catherine Swift: I don't agree with Warren on that one, but anyway—I mean, economists; right?

Mr. Charles Sousa: Fair enough.

Ms. Catherine Swift: I'm an economist, too, so we never agree with each other. You know that.

I said at the time, a year ago, when this was all being contemplated, and it was more directed at the federal government, that I didn't think we needed as much. I did think we needed some. And I guess, again, five years from now, we'll probably have the correct answer to that question.

Mr. Charles Sousa: Fair enough.

Ms. Catherine Swift: It's pretty hard to say right now, but I don't think we needed to go into deficit as much as we did, particularly at the federal level. But, listen, things like that home improvement tax credit were fantastic. That was a real focused—we still don't know what it's going to cost. I guess we'll see in this budget. Flaherty says he can't afford it again. Those kinds of time-limited, focused programs, I think, are the things that governments can very successfully do in a recession.

Mr. Charles Sousa: You also—two more questions.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Charles Sousa: Okay. There is the discussion about the reduction in the HST. You're aware that the marginal effective tax rate in Ontario will be cut in half, will be lower than most of the OECD countries and lower than in the United States. How do you balance—I mean, you have value-added-tax systems in other parts of the world that are much higher than we have here. And on page 13, it's a necessity for a health care increase.

The Vice-Chair (Mrs. Laura Albanese): You're leaving no time for the answer.

Ms. Catherine Swift: I just think that we should always try to be the best and not just compare ourselves to the worst and say, "Look, those guys are worse off than we are, so whatever." I think—and Warren kind of alluded to this, too—going forward, we're competing with countries that have way different—you know, it's not Europe we're competing with; right? It's Asia and so on. So we need to do the best we can possibly do from government and the private sector. Those levers we can control: tax, regulatory burden and so on, though we can't control the dollar. It's going to—

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Ms. Catherine Swift: —do what it's going to do. We need to take charge of what we can control.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that, and thank you for appearing before our committee this morning.

Ms. Catherine Swift: Thank you for your time.

UNITED STEELWORKERS UNION

The Vice-Chair (Mrs. Laura Albanese): I would now call the United Steelworkers Union, national office, to come forward. Good morning. You will have 15 minutes for your presentation, and I would ask that you kindly identify yourself for the purposes of our recording Hansard before you begin.

Mr. Erin Weir: Thank you, Madam Chair. I appreciate the opportunity to appear before this committee. My name's Erin Weir. I work for the United Steelworkers Union's Canadian national office.

I'd like to focus this presentation on the question of the provincial deficit. Specifically, I will do three things: first, examine the significance of projected provincial deficits; second, comment on some things that the provincial government should not do in response to the deficit; and third, suggest some things that the government should do with respect to the deficit.

I would encourage members of this committee to take a step back from the hysteria that surrounds the provincial deficit and recognize that Ontario has experienced major recessions and large provincial deficits before. The history has been that within a few years the economy has returned to its long-term trend of growing at about 2% annually above inflation and the provincial budget has returned to balance.

The current recession is significantly worse than previous recessions, but current deficits are less worrying than previous deficits because interest rates are far lower. The recessions of the early 1980s and early 1990s were largely caused by high interest rates, which meant the deficits incurred during those periods greatly increased future debt-servicing costs. Conversely, interest rates are now at rock-bottom levels and will remain relatively low for some time, so today's deficits can be financed relatively cheaply.

The government's fall economic statement projects that between 2008-09, the last fiscal year, and 2010-11, the next fiscal year, the provincial debt will rise by 40%. However, it projects that over this same period, debt-servicing costs will increase by 23%. In other words, borrowing will increase interest costs by little more than half as much as the overall debt. Again, this reflects the benefit of low interest rates. Even after this increase in borrowing costs, the Ontario government will still be paying less next year in debt servicing costs than it did as recently as the 2000-01 fiscal year. All this to say that the provincial deficit is certainly not Ontario's worst problem—reducing the deficit is less important than reducing unemployment.

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The second issue I'd like to examine is what the provincial government should not do in response to this

deficit. The government and some outside commentators have floated the ideas of reducing the deficit in the relatively short term by cutting provincial expenditures and/or by selling provincial crown corporations. Both policies should be rejected. If implemented, these policies would risk increasing deficits in the long term.

It is neither feasible nor desirable to balance the budget through expenditure cutbacks. As members of the committee will know, the projected deficits in the next couple of fiscal years are approximately $20 billion. Cutting that amount of money out of the provincial budget would involve completely closing down the Ministry of Health or eliminating the entire public school system as well as all social services. I simply do not believe that cuts on that scale are realistic. Also, as noted in chart 3 of the government's fall economic statement, Ontario has the second-lowest program expenditures per capita of any Canadian province. The Ontario government is already investing too little in many important public services, and there is certainly no room to cut back further. If the public sector were cut, the effect would be to compound the contraction that has already occurred in the private sector, prolonging Ontario's recession and jeopardizing the economic recovery that will increase provincial revenues and balance the budget in the long run.

Another proposal has been to raise money by selling provincial assets. This proposal would worsen future deficits by removing the more than $4 billion in annual revenues that crown corporations currently contribute to the provincial treasury. In exchange, as privatized enterprises, the crowns would pay about $400 million in annual provincial corporate income tax. They would pay a further $600 million in federal corporate income tax, leaving about $3 billion of after-tax profits for the private owners. So the net loss to Ontario's treasury from privatizing all of the crown corporations would be $3.6 billion per year. If we assume that provincial bonds pay approximately 5% interest, to save $3.6 billion in annual interest charges the Ontario government would need to reduce its borrowing by $72 billion. In other words, just to break even on privatizing its crown corporations, the government of Ontario would need to sell these enterprises for $72 billion. I would submit to this committee that it's unlikely that the government of Ontario would be able to sell its crown corporations for anywhere near this sum of money. In particular, it's unlikely that private investors would be willing to pay $72 billion to gain annual after-tax profits of only $3 billion. That type of transaction would imply a price-to-earnings ratio of 24, which I think people will recognize is extremely high for mature businesses.

Having talked about what the government of Ontario should not do in response to the deficit, I'd like to suggest a strategy for the government to balance the budget over the long term.

The first thing is to help the economy recover by investing in infrastructure, especially the green infrastructure that will be needed to reduce Ontario's carbon emissions going forward. These investments should be combined with proactive procurement policies to maximize the amount of investment and jobs that they generate in the province's private sector.

Second, it is very important for the government of Ontario to maintain appropriate tax rates so that provincial revenues will in fact rebound as the economy recovers. In particular, I would advocate maintaining a provincial corporate income tax rate of 14%, rather than cutting it to 10%.

Table 2 in the government document entitled Tax Plan for Jobs and Growth indicates that the corporate income tax cut will reduce revenues by $2.4 billion per year when fully implemented. The implication is that maintaining a 14% corporate income tax rate would increase future revenues by at least this amount. It would probably increase provincial revenues by more than that amount going forward, after corporate profits begin growing again.

I would note that this policy would drain very little money out of the provincial economy during the recession, because of course corporate profits are depressed and businesses are paying very little corporate tax anyway. So the effect of this measure would be to bolster provincial revenues down the road.

I would also emphasize that corporate income tax cuts are a very ineffective form of economic stimulus. In Finance Canada's last budget plan, it estimated that each dollar of corporate income tax cuts adds only 10 cents to gross domestic product this year and only 20 cents to the economy next year. By comparison, each dollar of additional infrastructure spending adds a dollar to gross domestic product this year and $1.50 next year.

These numbers do not come from me. These numbers actually come from the federal government that's cutting its own corporate income tax rate to 15%. So if Ontario were to keep its provincial corporate income tax rate at 14%, the combined federal-provincial rate in Ontario would be only 29%. By comparison, the United States' federal corporate tax rate is 35%, and American state corporate income tax rates typically bring the combined total up to about 40%. So Ontario does not need provincial corporate income tax rates to be competitive with the United States.

Another important point is that when American-based corporations repatriate profits from Ontario to the United States, they pay the American federal corporate tax rate minus the taxes that they've already paid in Canada. So the effect of reducing Canadian corporate taxes further below the 35% American federal rate is not to give more money to American corporations with operations in Ontario, but rather to redirect their tax payments from the government of Ontario to the government of the United States. Maintaining the 14% Ontario corporate income tax rate would retain more of these revenues in Ontario.

Finally, I would submit that Ontario should maintain a corporate capital tax for financial institutions. Table 2 in the Tax Plan for Jobs and Growth indicates that removing the capital tax from banks will cost about half a billion dollars per year. That's about one third of the total cost of

eliminating Ontario's corporate capital tax. Most Canadian provinces have also eliminated their corporate capital taxes, but many have retained corporate capital taxes for banks.

1020

I would also point to the fact that south of the border, the administration of President Obama is introducing a new tax on bank liabilities. Other jurisdictions have therefore recognized that it is legitimate to tax banks somewhat more than other industries because government regulation provides banks with several special privileges and protections not enjoyed by other industries.

I would encourage Ontario to apply this principle, because it makes sense in principle, but particularly because the government of Ontario could use the extra revenue.

On that note, I will conclude my remarks, and I look forward to any questions the committee may have.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. Mr. Shurman?

Mr. Peter Shurman: Thank you for your presentation. I noted with interest, as you opened, your justification for not rushing to reduce the provincial deficit, for a variety of reasons. But I want to quote directly from the last presenter, the Canadian Federation of Independent Business, admittedly, on all parts, the largest sector contributing to the Ontario economy. Ms. Swift said that we can't keep this reverse Robin Hood idea of low-income citizens subsidizing public sector pension plans, the idea being that that represents a significant cost to the provincial treasury. Do you agree with that?

Mr. Erin Weir: I would certainly agree with the empirical fact that there is a major disparity between public and private sector workers in terms of pension coverage. I would quite strongly disagree with the previous witness on the appropriate solution to that disparity. Essentially what the CFIB is saying is that because workers in the private sector often don't have good pensions, we should also take pensions away from public sector workers so that nobody has pensions.

Mr. Peter Shurman: No, she's not. She's saying we shouldn't subsidize them for those workers—

Mr. Erin Weir: Well, I would suggest a better solution is to recognize that, yes, a lot of public sector workers have very good pensions, and to try to enact a policy regime that makes it easier for more workers in the private sector to negotiate comparable pension benefits. I think the right approach is to bring workers in the private sector up to the standard of the public sector.

Interjection.

Mr. Norm Miller: Thank you. You more or less made the comment not to worry so much about the deficit, because interest rates are at historically low levels. The first presenter today, Dr. Warren Jestin, in his presentation stated that inflation is increasing, and what's going to come along with inflation are increases in interest rates. I would argue that that makes your concern about—the size of the deficit brings that into question. Have you any comments on that?

Mr. Erin Weir: I would certainly agree with Dr. Jestin that interest rates will ultimately increase, going forward. However, I think it's important to note that they're increasing from rock-bottom levels, so they are going to continue to be relatively low for some time to come.

By the way, the figures that I quoted from the fall economic statement actually are based on estimates of interest rates increasing somewhat. But the point is, they're so low, by historic standards, that current borrowing is going to increase debt-servicing costs by far less than it increases the total debt.

Mr. Toby Barrett: Chair?

The Vice-Chair (Mrs. Laura Albanese): Please go ahead, Mr. Barrett.

Mr. Toby Barrett: Thank you. When I think of steelworkers, I think of heavy industry; I think of mining. I recognize many of your members work in the public sector now.

With respect to primary industry, do you feel that the Ontario government—the Canadian government, for that matter—has an adequate strategy with respect to dealing with some of the very large foreign-owned companies? I think of US Steel; I think of Vale Inco. Both of those companies, at present, are having a tremendous impact, not only on workers but also on the production of steel and metals.

Mr. Erin Weir: Sure. Well, as I'm sure you're aware, my union is currently involved in labour disputes with both of the firms that you mentioned. I think that Canadian governments certainly do need to do more to come to terms with these large foreign multinationals that have taken over important sectors of the Canadian economy and that, certainly, more needs to be done to ensure that they live up to the commitments under the Investment Canada Act that were undertaken at the time of those takeovers.

The Vice-Chair (Mrs. Laura Albanese): Thank you. We have less than 30 seconds left. I will turn it over to Mr. Prue.

Mr. Michael Prue: A couple of things: the low interest rates, to go back to those. The first presenter suggested that they may go up from the present rock bottom, up 1% or 2% over the next few years. Will that, in any way, negate what you are trying to say about the deficit?

Mr. Erin Weir: No, it won't. I mean, I agree with that forecast that interest rates will increase a little bit, but they will remain extremely low compared to the interest rates at which Ontario was having to issue bonds in many previous years. So certainly I think the point stands that the costs of financing and borrowing in the next few years will be very low.

Mr. Michael Prue: He also said that the Canadian dollar is likely, because of commodity prices, to increase in value from its current level, which I think yesterday was around 95 cents, to above parity with the United

States, possibly going to $1.05 within the foreseeable next couple of years. Will that have any effect on our foreign—I know we owe a lot of the money to ourselves, but will that have any effect on borrowing elsewhere in the world?

Mr. Erin Weir: Certainly if the Canadian dollar increases, that reduces the relative cost of any funds that Ontario borrows in foreign currencies, so certainly a higher Canadian dollar would be bad for Ontario's economy, but it could actually be somewhat helpful in terms of Ontario's foreign borrowing costs.

Mr. Michael Prue: Now, he showed that both the Euro and the American dollar are going to be considerably weaker vis-à-vis our dollar within the next couple of years. Is that where we do most of our borrowing, the United States and Europe?

Mr. Erin Weir: Well, Ontario certainly does much of its borrowing within Canada, but in terms of external borrowing, the United States and Europe would be near the top of the list. Certainly the American dollar and the Euro are the two main global currencies.

Mr. Michael Prue: There has been a lot of speculation in newspapers and the like about selling off hydro, the LCBO and other—they've speculated getting I don't know how much; I've seen as high as $20 billion if it's all sold. You're suggesting we need to get $72 billion to make it economically feasible?

Mr. Erin Weir: Well, yes. That's right. Because essentially what you're doing is using the money from selling the assets to reduce current borrowing costs, which in turn helps defray future interest charges. So if all the crowns were sold for $20 billion and the province is borrowing money at 5%, that only reduces future debt servicing costs by a billion dollars. But in doing that, the province would have lost $4 billion of revenue from those crown corporations, so that would be a very bad deal for the citizens of Ontario, and it would certainly increase the provincial deficit going forward.

Mr. Michael Prue: Last week Gerard Kennedy—he's a Liberal in Ottawa—floated the idea of increasing the GST again 1%, 2% or 3%. Is that an idea that has any merit vis-à-vis your own idea of not reducing corporate taxes? What's the effect? I understand your argument, but what's the effect of his argument?

Mr. Erin Weir: Certainly increasing the GST would be a way of increasing public revenues, and certainly I would prefer that to cutting back public services. However, the GST is a regressive tax, and I believe that there is room to generate more revenue through things like not cutting the provincial corporate income tax and through maintaining the corporate capital tax for financial institutions. At the risk of stating the obvious, I guess it would be very difficult politically to increase the GST, given that that would involve raising the harmonized sales tax, which has been introduced amid much controversy in both Ontario and British Columbia.

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Mr. Michael Prue: You spoke about something which I had never heard before, I guess because I'm not familiar with American tax policy—

The Vice-Chair (Mrs. Laura Albanese): Mr. Prue, the time has almost expired.

Mr. Michael Prue: Okay. For every corporate reduction on a branch plant that we do here in Canada, the only net people who gain is the United States—not the branch plant, just the United States.

Mr. Erin Weir: That's right. As long as Canadian taxes are below the American federal corporate tax rate, any corporate tax reductions here have the effect of forcing that US-based company to pay more tax back to Washington. It's really a transfer of revenue from Canadian or Ontarian treasuries to Washington.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): I'm sorry, but the time has expired. I will have to turn it over to Mr. Arthurs.

Mr. Wayne Arthurs: Chair, I'll be sharing the five minutes we have with Mr. Delaney, so if you want to turn it to him when I'm done, that would be great.

Erin, thank you for being here. I always appreciate your presentation on many committee matters. Typically, when we have expert witnesses, we get a little bit of a range, but not this year the range, I don't think, that we've seen in past years. I think there seems to be a higher commonality of approach on the broad issues in light of the economy.

We certainly heard very clearly from each of you the importance of infrastructure spending—yours probably more strongly than the CFIB's. We heard from both the CFIB and, maybe to a lesser extent, from Warren Jestin of Scotiabank about the issue of deficits and balanced budgets.

Comment, if you would, in a minute or so, on your infrastructure investments in the green economy as an important generator—I think I've garnered that from you.

Secondarily, on the issue of deficits, the other two presenters have certainly suggested—in the medium term, in one case specifically—that within a reasonable time we move back to balanced budgets. Last week, the Greater Kitchener Waterloo Chamber of Commerce—I can't recall whether they were there on their own or reflecting the views of the Ontario chamber—talked about moving to a balanced budget by the end of the decade. Do you have views on a balanced budget? Or do you see the government of Ontario continuing in a deficit, presumably more modest than it is today, as an ongoing strategy?

Mr. Erin Weir: I'll answer your second question first. Certainly, I was pleased to hear that even the CFIB was acknowledging that it would reasonably take several years to balance the budget. I don't believe that the key litmus test is necessarily a balanced budget. I think the key thing over the long term is to reduce the deficit to a point where it's not actually increasing the ratio of debt

to gross domestic product. In a growing economy, it is actually possible to run small deficits for many years without increasing debt any faster than GDP. So I think the priority needs to be to reduce the provincial deficit at least to a sustainable level, and I think it makes sense and, in fact, is only possible to do that over several years as the provincial economy recovers.

To segue into your first question, one of the ways of ensuring that the economy recovers is to have more investment in public infrastructure to offset the huge loss of investment that we've suffered in the private sector. I think it only makes sense to invest in infrastructure that's useful and that we would want to have anyway. A major category of infrastructure that fits that criteria is public transit, renewable power and other facilities that we'd need to reduce carbon emissions going forward. I would like to see that infrastructure investment twinned with a procurement policy to try to have some of the inputs for renewable power manufactured right here in Ontario. I think that's good for the sake of short-term stimulus and also good for the sake of long-term development of these green industries of the future.

The Vice-Chair (Mrs. Laura Albanese): One minute left. Mr. Delaney?

Mr. Bob Delaney: Two quick questions, then—one that you can answer pretty much yes or no. Just a clarification: Are you stating that all Ontario has to do is wait long enough and economic growth will return and the Ontario budget will balance itself?

Mr. Erin Weir: No, I'm not saying that. I think that the Ontario government needs to help that recovery through public investments, and critically, I think it needs to maintain sufficient tax rates to ensure that that economic recovery translates into stronger tax revenues.

Mr. Bob Delaney: All right, then. Just to wind it up: Specifically where should Ontario find the capital it needs to make these investments that you've recommended, and how do you go about getting it?

Mr. Erin Weir: In the immediate term, Ontario gets the capital for making investments by borrowing. I think in the longer run, the way that you reduce that amount of borrowing is by not privatizing revenue-generating assets, not cutting the corporate income tax rate, and not eliminating the corporate capital tax for financial institutions.

The Vice-Chair (Mrs. Laura Albanese): The time, unfortunately, has expired. Thank you for appearing before our committee.

Mr. Erin Weir: Thanks for your time.

ONTARIO PUBLIC SERVICE EMPLOYEES UNION

The Vice-Chair (Mrs. Laura Albanese): I would now call upon the Ontario Public Service Employees Union to come forward. Good morning.

Mr. Warren Thomas: Good morning.

The Vice-Chair (Mrs. Laura Albanese): You will have 10 minutes for your presentation, and that will be followed by five minutes of questioning by parties in rotation. Please state your name, and then you may begin.

Mr. Warren Thomas: My name is Warren "Smokey" Thomas. I'm president of OPSEU. With me is Randy Robinson. He's our political economist. If I run out of voice, I'll just get Randy to read. I read fast.

Good morning. I'd like to, first off, thank the government for the opportunity to come here today and make a presentation.

OPSEU represents about 125,000 Ontarians who work in 500 bargaining units right across the province in every walk of life. Our members work in the OPS, health care, social service agencies, schools, community colleges, MPAC, the LCBO, and many other areas.

Some organizations can come here and talk about one or two specific issues that affect them directly, but we're different. The amazing diversity of our union means it is impossible, in the time we have today, to talk in any kind of detail about specific budget needs for specific services.

We try to keep in touch with the government to address issues in all of our sectors, and we will continue to do so. But in the few minutes I have now, I'd like to focus on the main principles that we think should form the basis of the government's thinking about the 2010-11 budget.

Ever since the October economic statement, most of the talk about the Ontario budget has been about the provincial deficit, which our Minister of Finance estimates at $24.7 billion for this year.

The first piece of advice we'd like to give the government is, "Don't panic." As a percentage of our gross domestic product, Ontario's deficit is in the same ballpark as past deficits. We've been there before, so we believe it's a manageable problem.

My second piece of advice is, "Cutting public services will not give you the results you are after."

Late last year, the government announced a new committee to review all public spending in Ontario. We don't have a problem with that. That's called management. But that committee is not going to find much to cut in our public services.

Everyone here will recall our last really big program review. It was called the Common Sense Revolution. It ended in the Walkerton water tragedy, the Aylmer meat scandal and a breakdown in public services right across the spectrum. Our public services still have not fully recovered from that.

What this means is that if the government decides to make major cuts, this will have two effects. First, it will not get rid of services that people don't need. On the contrary, it will get rid of services that are so important that no government has been able to eliminate them. It will get rid of services that people very much need.

None of the problems we are facing right now are because public spending is too high. As the government stated in its economic outlook last October, Ontario has the second-lowest program spending per capita of any province in Canada.

This explains why, when it comes to per-student funding in our public schools, Ontario ranks 54th out of 64 jurisdictions in Canada and the United States. That puts us just ahead of Mississippi but well behind Alabama and Kentucky. This explains why we are second from the bottom among Canadian provinces when it comes to per-student funding in our colleges. It explains why we are second from the top when it comes to university tuition fees.

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You could go around checking out all our provincial public services and you would find the same thing. There is nothing to cut of any substance, except of course the private consultants who have been dining out on our dollars for years—through several governments, I might add.

The McGuinty government has gone to great lengths to point out that it has made major investments in this or that public service in the last six years. That has certainly been the case, and we applaud that. But there is no case to be made that provincial spending is out of control. Indeed, it is not even adequate to the real needs that are out there in communities across this province.

I have heard it said by government spokespeople that health and education remain its priorities when it comes to funding public services. We support strong funding for health and education. Close to half our members work in health or education, and all our members depend on good health care and quality education, just like every other Ontarian does.

But when I hear that health and education are the government's priorities, that makes me worry about what must not be their priorities. I worry about women's shelters. I think about children's mental health, children's aid societies, daycare centres, administration of our courts, environmental protection, supervising criminal offenders, and road safety, just to name a few. I think of all the services our members provide, and to be honest, all of them play a vital role in the life of our communities. We need them; it's as simple as that.

The second point I want to make is about the economic role of public services in Ontario. Any cuts to public services now can only serve to undercut the government's efforts to kick-start job creation in Ontario through infrastructure investments and other stimulus spending.

In the 2009 budget, the government allocated $32.5 billion a year to infrastructure spending over the 2009-10 and 2010-11 budget years. The express purpose of this accelerated expenditure was to help the economy and create jobs, and we fully support that.

But if we're spending money to create jobs, it makes no sense at all to cut spending and eliminate jobs at the same time by attacking the public sector. From a stimulus point of view, it's like driving with one foot on the gas and one foot on the brake.

I want to emphasize the crucial role that public services and public service jobs play as economic stabilizers in communities right across this province, especially during an economic downturn. I'm not just talking about Windsor or Welland, Sudbury or the Soo; I'm talking about every community that has suffered through this economic downturn. Public sector jobs provide spending power that keeps local businesses and jobs alive.

This positive impact reaches right into families as well. These days it takes two people working full-time to bring a household up to the average household income. When one wage earner in the private sector loses a job, that whole family can keep going and stay off social assistance if the other wage earner is a public sector worker who remains employed. But if that other wage earner is a laid-off public sector worker, then everybody loses: the family, the community and the government. Cuts in the public sector will not help the private sector.

If you talk to regular Ontarians about the biggest issue facing this province today, it's not the provincial deficit; the big issue to most Ontarians is jobs and the health of the economy.

Ontarians believe that the deficit is an important issue that should be addressed, but in comparison with the issue of good jobs, the deficit just isn't a high priority for most people, who are concerned about getting by on a daily basis. The high priority for people now is jobs, not the deficit.

But the deficit is still real. The question is, how do these two issues relate to each other? We think it's pretty obvious.

If you focus on cutting spending to pay off the deficit right now, if you cut jobs and services, the economy will slow down even more, because people who are not working do not have any buying power. If people aren't buying, they are not helping to create jobs, and if people don't have jobs, they are not paying taxes. Instead, they are going back to school if they can and collecting EI or social assistance if they have to.

Unemployment increases deficits. That's a fact.

Employment has the opposite effect. If people have good jobs, they spend money. If they spend money, they help create jobs. People with jobs pay taxes and don't go on EI or social assistance. When people are working, deficits go down automatically.

At OPSEU we sum this up in what we believe is a pretty neat expression: "Paying down the deficit won't help create good jobs, but creating good jobs will help pay down the deficit." That is why OPSEU and all the unions in the Ontario Federation of Labour are united—actually, all the unions in Ontario, even the unions that are not in the OFL—in saying that the next Ontario budget must be a good-jobs budget.

What can the Ontario government do to deliver a good-jobs budget? First of all, let's get that stimulus money out the door for infrastructure spending. They can provide jobs while the global economy continues its slow recovery.

Second, let's do even more around green energy and create entry-level jobs in construction. The government's feed-in tariff for green energy production is a good thing, but on its own it is not enough to get businesses and

homeowners to start saving and generating their own power. They need financing. In the United States right now, an idea called property-assessed clean energy is providing that financing at no long-term cost to governments. I believe we should go there.

Third, let's not cut public services. It's a really bad idea. I have heard lots of people in government, in all three parties, say they wish they still owned the 407 because it makes a lot of money.

Fourth, let's invest much, much more in training and retraining for laid-off workers and for our young people who are just starting out. An economic downturn is the perfect time for people without jobs to upgrade skills for tomorrow's economy, if we ever figure out what tomorrow's economy is.

Fifth, let's forget about corporate income tax cuts. The planned cuts will do nothing to stimulate job creation now, when we need it, and they will do next to nothing to make Ontario more competitive in the long run. Our tax rates are already competitive. Ontario's real competitive advantage is its strong health care system, its safe and livable communities and its educated workforce. In other words, our competitive advantage is rooted solidly in our public services.

Sixth, let's not sell off profit-making assets like the LCBO just because we're in deficit right now. They are important and reliable sources of revenue, and losing them can only hurt our public services and our communities in the long run.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Warren Thomas: Lastly, I want to make a pitch that the government remember our poorest people and our poorest workers in this budget. If we have money to invest in corporate income tax cuts, we have money to invest in the 350,000 Ontarians who visit our food banks every month. To our great shame, many of these Ontarians are actually working; they just can't get by on the low-paid, part-time and temporary jobs that are out there. They need help.

Because of unscrupulous employers, many workers in low-paid, part-time and temporary jobs have to fight just to get paid. They need the government in their corner. One concrete thing the government can do is to keep its promise to hire more employment standards auditors to defend the legal rights of these workers, and we call on the government to do so.

Obviously, everything we think that should go into a $100-billion budget can't be explained in 15 minutes, by me or anybody else, so I'll stop there today.

I'd like to close just by saying one thing, though: I hope that the government and those lowest-paid workers and lowest-paid citizens will remember people on Ontario Works and ODSP. They could certainly use a raise.

Thank you. I'd be happy for any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will turn it over to Mr. Barrett.

Mr. Toby Barrett: Thank you to OPSEU for presenting this morning. I certainly agree that probably the highest priority is creating jobs, and you do call for getting stimulus money out the door—infrastructure spending. Are you talking future jobs when you advocate that or advocate continuing that? I don't know whether your organization has done any kind of monitoring or an evaluation to determine whether stimulus funding has actually created jobs or to what extent it has created jobs. It's paved roads, and there are footings being poured, but—

Mr. Warren Thomas: That's a good question. It has created, I believe, largely male-dominated jobs in construction—which is a good thing, because we're actually building the infrastructure and repairing infrastructure—but I believe some of that stimulus money should go into public services.

We've got an aging population. If the government was to focus some effort on what we're going to do for aging folks who have people who have developmental disabilities, who are developmentally delayed—there's a huge population out there of people who are getting old, and their sons or daughters have lived with them their whole lives. There's now a huge social problem. Children's aid societies are going bankrupt. So I think if the government were to put some more stimulus into public services, that in turn would not only create more spending in communities but would save the government, because people then don't end up in other parts of the system.

It's absolutely every bit as expensive to keep somebody in jail as it is to keep them on ODSP or on Ontario Works. They cost just about as much, but it's a lot more humane to have them out living in the community with enough money to live on than locked up in a jail.

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Mr. Toby Barrett: I'm wondering—I know the term "shovel-ready" is used, and it goes forward, shovel-ready or not. Time is of the essence. Certain projects that maybe normally would not have been funded get moved forward. Perhaps they were proposed to be funded in the future. But I'm just wondering if there has been a problem with a stampede, if you will. Much of the money has been essentially transferred to the municipal level to move forward with those projects. When you talk about construction jobs, I think, by and large, much of this would be short-term or temporary employment.

Mr. Warren Thomas: I think the idea, though—and I agree with the government—was to get some much-needed work done and keep people working. Do you have any thoughts on that, Randy? This guy's my economist.

Mr. Randy Robinson: Well, obviously, when you are in recession is the time that you want the money spent, and the problem with a lot of infrastructure projects, of course, is that they do take time to get up and running. So the ones that have gotten up and running were the ones, primarily, I understand, that were in the pipeline.

On the other hand, if you are trying to create economic stimulus through public services, basically you have the entire job infrastructure there in place already, and the difference between having 11 physiotherapists at a given hospital instead of 10 requires exactly no change in your infrastructure. You can very quickly put that money into services and the economy.

Mr. Toby Barrett: Thank you.

Mr. Peter Shurman: Mr. Thomas, you made quite a case for no cuts to the public sector at this time, and I've heard your message. I would like to hear what your ideas would be for a contribution by the public sector. Would you contemplate a freeze in hiring, for example?

Mr. Warren Thomas: Well, the government kind of has a freeze on right now. The last three or four jurisdictions—federally, provincially—that have taken a swipe at cutting public services, including the Common Sense Revolution, didn't really cut public services to a great extent, certainly not enough to save the kind of money you need to save. Simply put, there's not a lot left to cut.

If the government puts something in this budget around public sector wage packets, we'll deal with it at that time, but I'm not going to presuppose anything.

I was at that Ontario economic summit when the Premier very clearly said that he wasn't interested in Dalton days but the media tried to drag us all into a fight, which I'm not interested in. I'm interested in working with all parties to help us get through this. What form that would take, in terms of the public sector, I wouldn't want to—I don't have a crystal ball, I guess.

Mr. Peter Shurman: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before our committee this morning.

Mr. Warren Thomas: Can I just say one thing, though? I don't believe any one group or individual has all the answers. I really don't. I believe that somehow or other, the government has got to find a way to bring labour, business and government together to really talk about it, to talk about the things the steelworkers are saying and that Ken Lewenza says, and the building trades and the public service. That's what we believe, and we're hoping that we can get there with the government and the two opposition parties.

The Vice-Chair (Mrs. Laura Albanese): Thank you for the comment.

SERVICE EMPLOYEES INTERNATIONAL UNION

The Vice-Chair (Mrs. Laura Albanese): I now call the Service Employees International Union to come forward. Do we have anyone here from—

Interjection: We do, yes.

The Vice-Chair (Mrs. Laura Albanese): Yes, okay. So I would ask that you come forward, please. You will have 10 minutes for your presentation. That will be followed by up to five minutes of questioning, which in this rotation will go to the NDP. Please state your name for the purposes of our recording Hansard, and you may begin any time.

Mr. Jacob Leibovitch: Jacob Leibovitch, SEIU executive director.

Mr. Eoin Callan: Eoin Callan, public affairs, SEIU Canada.

Mr. Jacob Leibovitch: SEIU Canada appreciates this opportunity to make its submission to the standing committee. SEIU represents more than 100,000 members across the country. We are the fastest-growing union in Canada and have a track record of improving the lives of working people and their families.

As our submission this year will focus on home care, it is worth noting that we represent more than 46,000 health care workers in Ontario. Our members work in hospitals, nursing and retirement homes, and include nurses, health care aides and personal support workers, with women making up the overwhelming majority of this group. In the home care sector, we are by far the largest and most representative organization.

As the voice of Ontario's home care workers, SEIU has a unique and valuable perspective on health care. SEIU acknowledges that the government has significant budgetary challenges and needs to be innovative in order to deal with fiscal pressures. We recognize that this is an exceptionally challenging fiscal environment. There are tough calls ahead that demand prudent fiscal management; there can be no doubt about this.

But these challenges will also require creative approaches to ensure that our shared legacy of investment in public services is not thrown overboard due to a period of economic turbulence that will be temporary. Generations have invested in the system of public services we depend on today. We owe it to those generations and future generations to be thoughtful in our response to these challenges and not to settle for short-sighted or knee-jerk reactions. This is nowhere more true than in health care. The values that have underlined Ontarians' support for universal public health care that is accessible and of high quality must continue to be respected.

These are some of the challenges, but I am here today to talk about solutions. Fortunately, there is a clear path the government can follow that will allow it to constrain expenditure growth while achieving its goals in health care, including reducing wait times. The key to success is home care.

Home care is central to the government's efforts to deliver improved performance while containing costs in the hospital and residential care sectors. Home care is one of the least costly forms of health care. Providing accessible and high-quality home care allows individuals to avoid admission to acute-care facilities, where the costs for government are far higher. Home care also helps reduce wait times by facilitating shorter hospital stays and reducing demand for beds in care facilities. Home care also allows people to remain independent for longer and to continue participating fully in civic life, including as consumers and taxpayers providing much-

needed revenues for government. To quote the Minister of Health and Long-Term Care, "People want to be at home and it costs less money."

For home care to fulfill its potential, the government must take some important steps to strengthen the sector. To get these steps right, SEIU has worked with front-line home care workers, employers, patients, seniors and officials at every level of government to develop concrete policy recommendations based on international best practices to improve care standards for Ontario patients.

To talk about specific recommendations, I'm going to turn you over to my colleague Eoin Callan.

Mr. Eoin Callan: I'm going to talk you very briefly through some of the solutions, some of the steps that will allow the McGuinty government to take maximum advantage of the opportunity that home care affords.

Firstly, we need to create standards for education, training and certification of personal support workers. Weaknesses in the system for training personal support workers were laid bare late last year by a Toronto Star investigation that some of you might recall. It chronicled how unaccredited private colleges were taking students' money and delivering substandard or no real training. The article, which read, "I am a certified personal support worker, and you have no idea how grossly unqualified I am," caused understandable public alarm. The revelations also underscored why a review of training, education and certification of personal support workers is long overdue.

Some of you will have heard this call before. Indeed, the Honourable Elinor Caplan made this recommendation in 2005. An advisory committee made this recommendation again in 2006. Now, SEIU and other major stakeholders in the sector have come together and are offering to partner with government on addressing this issue by creating an advisory group and establishing a registry for home care workers in Ontario. This would improve patient safety, and it is also critical to making the designation of "personal support worker" a desirable vocation, including for mature students and those who want to re-enter the workforce. At present there's an acute shortage of personal support workers. That is hampering the ability of the government to take advantage of the savings that home care offers.

Continuity of care is also weak. As the home care system stands now, instability and insecurity are the underlying operating principles. This instability and insecurity block the growth and development of career paths, while the absence of stable hours provokes men and women working in the sector to exit it. Stabilizing the home care sector and addressing human resource challenges require setting ambitious targets for full-time rates of employment. Steps to increase the stability of the sector are also of vital importance to clients, who place tremendous value on uninterrupted care relationships with their support worker, known as continuity of care.

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Continuity of care is also often undermined, particularly with the current system of competitive bidding for home care contracts in Ontario. For example, in a competitive bidding environment, it's possible to have every single home care worker in your constituency or a region of this province dismissed overnight. Studies following home care workers after the loss of a contract with a community care access centre through bidding rounds reveal some problematic trends. It has been observed that the uncertainty of the working environment provoked by this process causes many workers to leave the sector, exacerbating the human resource challenge and, again, compromising quality and continuity of care. This system also creates significant financial liabilities for the health system and government that arise because of the need to pay severance to workers who are displaced by the bidding process—and we'll hear more in a moment about severance liabilities. The extension of successor rights to personal support workers is one method of reducing these liabilities.

Another way to enhance continuity of care and the overall well-being of the communities you represent would be if home care policy did a better job of recognizing the value that the not-for-profit home care agencies provide by delivering additional community services like Meals on Wheels.

A more holistic approach to caring also requires a greater appreciation of the value contributed by informal and family caregivers. One in five Ontarians is a family caregiver, contributing to more than 70% of total caregiving needs. In 2011, there will be 1.4 million women in Ontario aged 25 to 44; of these, four in 10 will become caregivers at a time in their lives when they have to juggle work and family. It's estimated that the care provided to seniors by family and informal caregivers is worth $24 billion to $31 billion to our economy. This is a significant contribution to the productivity and growth potential of Ontario. As a member of the Ontario Caregiver Coalition, SEIU is calling for a cross-ministerial task force to develop income supports to benefit caregivers. You'll hear more from our coalition partners during the course of your hearings on this proposal, which we fully endorse.

We must take issue with one earlier submission that sought $7.8 million in this budget process as a handout for the for-profit home care sector. There are companies in that sector that are not compliant with basic Ontario labour laws. For years, these companies have been getting away with exploiting a loophole in the law to deny employees basic entitlements like paid public holidays. Most home care providers chose not to exploit this loophole, but some did. Now, those that bent the rules are asking you for a handout so they can cushion their profit margins once they begin complying with the law. This would unfairly disadvantage those that have been compliant all along. Effectively, you are being asked to reward bad behaviour and punish good behaviour. Compensation for providers that exploit a temporary exemption in the Employment Standards Act should not be extended. This money should go to front-line services.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Eoin Callan: On that note, I'll hand it over to my colleague.

Mr. Jacob Leibovitch: Speaking of handouts, I want to turn to a matter you will have perhaps read about in the Toronto Star this morning; if not, I encourage you to do so. As the Star reports, while front-line hospital workers are being squeezed, CEO salaries have soared, outpacing spending on patients by a significant margin. I hope you'll agree that a pay freeze, at the very least, for the top-ranking hospital executives is warranted.

Once again, I want to thank you for the opportunity to make this submission to the standing committee.

The Vice-Chair (Mrs. Laura Albanese): Thank you. This round of questioning goes to the NDP. Mr. Prue?

Mr. Michael Prue: You talked about a pay freeze. I wonder how, even with a pay freeze, some of those wages could be justified. I saw $750,000; I looked right down the whole list to the lowest one I saw, which was around $445,000. I grant that most of the people are pretty competent individuals, but it seems like a huge amount of money. At the minimum, that's twice as much as the Premier makes. I have to question, why just a freeze? Why not a reduction?

Mr. Jacob Leibovitch: It's a very good question. We're definitely trying to find creative and innovative solutions to deal with the fiscal challenge that the province faces. Certainly, freezing in place is one way to find additional dollars for health care. I think other solutions and other suggestions would be welcome as well.

Mr. Michael Prue: Okay, just back to your recommendations here: The first recommendation is to "create standards for education and training of home care workers." What are you anticipating, a one- or two-year college diploma from a real school as opposed to the fake schools that have been used?

Mr. Jacob Leibovitch: I think that what we need is a coming together of those folks who are concerned about PSW certification. There needs to be involvement by the Ministry of Health, the Ministry of Training and other stakeholders, including the labour organizations that represent these folks and the providers themselves, to try and piece out how that might look. Eoin might have more details on what it could look like specifically.

Mr. Eoin Callan: Yes, indeed. Certainly, as a first step, eliminating some of the unaccredited training institutions around the province who have not declared themselves and are operating outside of the gaze of government is a priority, and then, creating a modern standard for education and training of PSWs is the next step.

Mr. Michael Prue: Okay. One of the recommendations you make is "extend the moratorium on competitive bidding for home care services." It has been a disaster. Why do you just want a moratorium? Why don't you just move to abolish it?

Mr. Eoin Callan: Indeed, I think, on the subject of the competitive bidding process, it is accurate to say that it has been seriously flawed, a fact that has been recognized by government at least twice when the Minister of Health moved, in previous years, to institute a moratorium. We think a moratorium is a first step—stopping the train before there's another train wreck is the first step—and then, looking at ways to bring, as Jacob has suggested, stakeholders together to look at sensible fixes and solutions like the ones we have outlined here is the appropriate way to proceed.

Mr. Michael Prue: On pages 9 and going over onto page 10, you talk about, "It should be attached to the nursing and personal care funding envelope (excluding incontinence supplies). It should reflect worked hours as opposed to paid hours. It should be subject to compliance and enforcement mechanisms."

I have heard from many personal care workers, especially in northern and rural Ontario, who are forced to drive long distances that they are not paid for, driving between locations. Sometimes they're an hour or two hours apart. They're only paid when they're actually in the house. This seems to me grossly unfair: a person's job is taken up in driving from location to location, which are often—

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Michael Prue: —far apart. Are you recommending that they get paid for the full day as opposed to just the time that they're in homes?

Mr. Jacob Leibovitch: Yes, the issue of payment of travel time for home care workers is one that SEIU has been speaking out about in any forum, and it certainly seems inconsistent with the format of compensation for other health care workers that these workers are singled out to have to essentially pay out of their pocket for the time that they use to travel from one location to another. Different agencies deal with that issue differently, and some are better than others, but certainly the province should take a stand in requiring adequate compensation so that we can help to stabilize that sector and make the profession of personal support workers in home care one that will be a career choice for many.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. Unfortunately, there's no more time for questions.

CENTRE FOR SPATIAL ECONOMICS

The Vice-Chair (Mrs. Laura Albanese): I would now call on the Centre for Spatial Economics to come forward. Good morning. You two will have 10 minutes for your presentation, and that could be followed with up to five minutes of questioning that, in this rotation, will go to the government side. Please state your name for the purposes of our recording Hansard.

Mr. Robert Fairholm: My name is Robert Fairholm. I'm a partner with the Centre for Spatial Economics.

Mr. Jerome Davis: And my name is Jerome Davis. I'm a staff economist at the Centre for Spatial Economics.

Mr. Robert Fairholm: I've given you all a handout, so I'll be talking to that handout.

Essentially what I want to present today—obviously, you have some difficult decisions to make, to make recommendations to the Minister of Finance about deficit reduction, in part.

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Part of my message is that when you take those deliberations, you keep in mind what the impact will be on the economy, because not all spending reductions or tax increases are created equal: Some have larger short- and long-term economic impacts than others. In my discussion, I'm going to look at the short-term economic impact and then some of the long-term implications.

When economists look at the short-term impact of fiscal measures on the economy, we talk in language called multipliers—that's the impact from changes in spending or taxes directly on the economy, in terms of the stimulus or contractionary effects that it will have. Just to keep things confusing, economists come up with several different ways to measure this. There are gross output multipliers, GDP multipliers and employment multipliers. My message is that you should focus on GDP and employment multipliers, because the gross output multiplier that is often used actually misstates what the impact will be on growth or the importance of different sectors to the economy. This is illustrated by Cross and Ghanem in their 2006 article for Stats Canada in the Canadian Economic Observer, where they essentially said that this multiplier has a lot of double counting because of inter-industry sales. It tends to magnify for certain industries, but the ultimate impact upon GDP is much less. Indeed, some of those sectors with large gross output multipliers are those with small GDP multipliers. My view is that GDP is more important—that's value-added in the economy—and, of course, the employment effects are also important. The employment multiplier is one of those things that you can look at that illustrates the impact on the sector where the changes occur, but also the spillover effects onto other sectors as well.

This is an unusual situation for multipliers. Typically, when we talk multipliers, economists break out in a cold sweat, because they tend to misrepresent how large a stimulus you'll have on the economy because of inflationary effects. So if you boost demand, you will tend to boost prices, which tends to diminish the impact on the economy. At this point, because of the global recession, this is an unusual situation. Those multipliers will be larger than they would be if we were at full employment. So from that perspective, we can take a look at some of these standard multipliers, because we don't have that same inflationary effect, diminishing the impact upon the economy at this juncture. You can't use these same multipliers later on, when we're at full employment, but at this juncture, it is relevant.

There are a number of aspects of the global shock that are causing this: certainly the recession in Ontario; an increase in output gap. And more slack in the Ontario economy means there's downward pressure on inflation, but some of the global aspects as well will impact the inflationary effects of the economy at this point. The global nature of the recession means that economies throughout the world have excess capacity, and that puts downward pressure on Ontario prices as well. The high-valued Canadian dollar, which has shot up by far more than what the economic fundamentals would suggest, also directly and indirectly puts downward pressure on Canadian and Ontario prices. Because of these factors, this is an unusual situation, so we can take a look at these multipliers, and they are relevant in the current situation.

On the fifth page of the handout, there's a table is taken from StatsCan: the multipliers for the direct and indirect effects. These are estimates from StatsCan that illustrate what the impact is on the economy. The far right column shows these gross output multipliers. You'll notice that sectors like manufacturing and construction tend to have fairly large gross output multipliers. That tends to reflect corporate revenues, so it tends to boost revenues significantly. Other sectors, more in the service sector, then tend to have smaller gross output multipliers. But when you look at the impact on GDP, the situation flips around, and some of those sectors that have less complex supply linkages have higher GDP multipliers, largely because the import leakages are less. So manufacturing—if you import a part from the States and it's put in place here, that's a leakage out of the Ontario economy, and so it doesn't have those same stimulative effects.

The other thing that is quite important to take a look at is the employment multipliers. So $1 million will have different effects on different sectors of the economy. These numbers have been combined with some research we've done recently looking at the child care sector, and it has a very high employment multiplier. Some of the other service sectors also have high employment multipliers such as education services and other services, for example.

So when you're looking at making suggestions about where to cut, it's important to keep in mind what these economic impacts will be. These are the short-term effects and, of course, these direct effects are the impacts on the industry itself that has experienced reduction. The indirect effect is the impact on the supplying industries and their suppliers as they cascade throughout the economy. But as there are job reductions, you also have a loss of household income, which is what we call the induced effect.

I promised to break things down into different component parts. The induced effect is quite relevant in the current situation because it will vary depending on the share of total expenditures by an industry that is made up of labour income, so the higher the proportion, the larger the effect is from the induced effect. Also, the wages that people earn will impact what we call the marginal propensity consumed. If you give somebody who has a low wage an extra dollar, they tend to spend it. If you give somebody who has a high wage an extra dollar, they save part of it. So the multiplier effect is larger for those

who have lower wages, the tax leakage is less and the marginal propensity consumed is greater. So you have a bigger impact from the induced effect on those sectors that have relatively low wages, such as child care and non-profits.

I've illustrated on this chart some of the industries that we had in the previous table that show the direct and indirect effect as estimated by Stats Canada and my estimate of the induced effect, based upon the Ontario tax schedule and going through link by link in the multiplier chain looking at what those leakages are in terms of import leakages, assuming an average import leakage for each sector; the impact of different marginal tax rates; the impact of marginal propensity consumed. So when you're taking your consideration, please take this into account.

Of these sectors, it's also noteworthy that some impact human capital—child care, education. Construction also impacts physical capital. Those aspects are important for long-term growth. So human and physical capital are important. I applaud the recent move to an HST, which will have a positive effect on the marginal effective tax rate for businesses to put capital in place and also, therefore, improve machine and equipment investment. Capital deepening is one of those factors that improves medium-term economic growth, productivity and living standards. Also, in terms of some of the other factors that influence the long-term economy, we have—

The Vice-Chair (Mrs. Laura Albanese): Thank you. I'll turn it over to Mr. Flynn for questions.

Mr. Kevin Daniel Flynn: Thank you, sir. A very interesting presentation. I'm very familiar with your organization. Tom McCormack and I go back quite some years, back to the property tax reform days.

I think I understood the concept. I'm not sure if I understood the advice at the end of the presentation. If I can go through some of the implications you have at the end, you're saying that the human and physical capital is extremely important as we move forward. That would seem to tie into the Premier's determination that we're going to improve the education system in this province and post-secondary education is going to be improved, and that our strength is in our people. Is that what you're saying in that first line?

Mr. Robert Fairholm: Yes.

Mr. Kevin Daniel Flynn: Good, perfect. The recent moves—I think you said this outright—to the HST system, to things like income tax cuts, corporate tax cuts, are all positive moves in this environment.

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Mr. Robert Fairholm: Yes. Lowering the marginal effective tax rate on capital is critical in encouraging business investment, and that type of capital deepening helps productivity and living standard gains.

Mr. Kevin Daniel Flynn: You almost answered the question I was going to ask you next. I know what capital is, and I know what deepening is. I'm not sure I know what capital deepening is. Maybe you can expand on that.

Mr. Robert Fairholm: It means there's more capital per worker. If I buy a new computer and give it to Jerome, his productivity will improve. Giving more updated machinery to workers boosts their ability to produce goods and services that boost living standards in the medium term.

Mr. Kevin Daniel Flynn: In your last point I think you're saying that the economy of the future, or the environment that Ontario will be operating in, will have a large emphasis on R&D, human capital, hybrid models and I guess a global openness to trade. Is that true?

Mr. Robert Fairholm: These are the factors that research finds affect long-term economic growth. Human capital, machinery and equipment investment, openness to trade, research and development are the critical factors that research finds, time and time again, improve long-term economic growth and living standards for a region.

Mr. Kevin Daniel Flynn: Between the two charts—you've got a table 1 and then you've got one called "Focus on GDP and Jobs, Not Gross Output." The point I think you were making was that because you score highly on the table, you may not be as highly ranked on the chart. Is that right?

Mr. Robert Fairholm: The GDP column from the table is used for the chart for the direct and indirect effect.

Mr. Kevin Daniel Flynn: We were told—obviously, I'm from Oakville so I've got some interest in this, with Ford being there—the job multiplier effect is very high in auto manufacturing, and the concept was, for every one job that is created either privately or publicly on the assembly line, anywhere from five to seven jobs are created in the community.

The other thing they were saying is that a part could cross the border any number of times. You may make steel in Hamilton that gets turned into a screw in Michigan that gets put into a carburetor in Ontario which gets put into a car in Detroit that gets sold in Ontario. So it's crossing the border and there are import and export implications throughout the manufacture of that vehicle. Does that tie into the concept you're bringing forward here?

Mr. Robert Fairholm: It ties in in a number of places. Openness to trade is important for long-term growth, so having openness to trade investment is good for the economy. There are a number of economic arguments one can bring to bear to illustrate that, but essentially, if you're more open you can have the production at the place it's most effective, which tends to boost everybody's living standards. So that's one aspect.

I couldn't comment on the job multipliers in the transportation equipment sector. I didn't look at that particular multiplier. Certainly, Stats Canada would have job multipliers for that. The way it's phrased is different than the way this employment multiplier is phrased, because this is looking at jobs per million dollars. Auto workers tend to be more highly paid. Therefore, the direct effect from a million—

The Vice-Chair (Mrs. Laura Albanese): Your time has expired. Thank you very much for appearing before the committee this morning.

ONTARIO UNDERGRADUATE STUDENT ALLIANCE

The Vice-Chair (Mrs. Laura Albanese): I now call on the Ontario Undergraduate Student Alliance to come forward. Good morning. You will have 10 minutes for your presentation, and that will be followed by five minutes of questioning. If you could please identify yourselves for the purposes of our recording Hansard, you may begin.

Mr. Justin Williams: Good morning. My name is Justin Williams. I'm the vice-president of the Ontario Undergraduate Student Alliance and a student at the University of Waterloo. With me is Alexi White, our executive director. I'd like to thank the committee for having us here to speak to you about the future of higher education in Ontario today.

The Ontario Undergraduate Student Alliance represents the interests of over 140,000 professional and undergraduate full- and part-time university students at seven institutions across Ontario. The alliance's vision is for an accessible, affordable, accountable and high-quality post-secondary education system in Ontario. To achieve this vision, we've come together to develop solutions to challenges facing higher education.

This year, the government's Reaching Higher plan, one of the boldest investments in post-secondary education in a generation, comes to an end. Over the past five years, $6.2 billion has been invested into the system, a much-needed infusion after years of neglect.

Unfortunately, the desired income of the Reaching Higher plan was dampened by stronger-than-predicted growth in enrolment. To quote the Council of Ontario Universities, "While funding on a per-student basis has grown, it has not kept up with universities' actual growth in costs during this period. Our institutions have had to constrain costs that, in turn, have had an impact on the quality of programs that help students reach their potential to contribute to Ontario's success."

Students appreciate the commitment this government has shown to improving post-secondary education, but there's a great deal left to do if we are to ensure Ontario's future competitiveness and prosperity.

We must continue the significant investments of the past five years. Returning Ontario to a place of economic strength is no easy task, but there's one surefire way to ensure our long-term success: investing in post-secondary education.

The provincial government's own Task Force on Competitiveness, Productivity and Economic Progress has, since its inception in 2001, recommended in every annual report that the government must provide greater investments in higher education, and they were right to make this recommendation. It is clear that continued investment in higher education will pay significant dividends for the government and for citizens in Ontario.

The Canada Millennium Scholarship Foundation recently finished an investigation into the benefits of higher education and found that those with a university degree comprise only 22% of the population but contribute 41% of income tax paid and only receive 14% of government transfers. In addition to increased government revenue, data from Millennium and from TD Bank have shown that Ontarians with post-secondary degrees are more likely to live longer, be healthier, commit fewer crimes, vote in larger numbers, donate to charity and volunteer in their communities. Moreover, families headed by a university-educated individual are half as likely to live in poverty.

We have a unique opportunity to emerge from this economic downturn stronger than before, but in order to do this, we must continue to build on the significant investments of the past five years or else risk slipping further behind the economy of tomorrow.

For students, renewed investment means serious commitment in three areas: modernizing student financial assistance, investing in student success initiatives and ensuring the overall financial health of our institutions.

While significant investments are required to improve higher education in Ontario, the Ontario Undergraduate Student Alliance understands the government's fiscal situation, and our recommendations focus, then, on ways to realize the greatest improvements possible at the lowest cost to governments.

Students' first priority is to see a true modernization of the financial assistance programs in Ontario. After years of cutbacks, the Reaching Higher plan finally addressed some of students' long-standing concerns with the Ontario student assistance program, or OSAP. These changes meant that thousands of students were, for the first time, eligible for support.

That being said, there remain serious problems with financial assistance in Ontario, and students believe the time has come to finally modernize the system. This will require reforms to OSAP that bring it in line with the realities faced by students in the 21st century. To find the funds for this modernization, students recommend reallocating money from a program that currently does little to nothing to improve access in Ontario: the education tax credits.

This year, the Ontario government will spend nearly $300 million on the education and tuition tax credits. However, 60% of these credits go to families with incomes above the national median. This is an unfortunate reality that is pulling valuable and scarce funding from assistance for lower-income and otherwise disadvantaged groups.

In addition, students can only receive tax credits at the end of the year. This is many months after they need those funds to pay for tuition, books and rent.

The 2007 Liberal platform recognized these concerns and promised to eliminate education tax credits and use the savings to increase upfront grants. Students ap-

plauded this initiative then, but are still waiting to see it realized.

By diverting $300 million from education tax credits into the OSAP program, we can make a real difference for thousands of students who truly need the funding.

The Ontario Undergraduate Student Alliance suggests using these funds for three things. First, we must increase the OSAP loan limits from the current level of $140 a week to $175 a week, as was recommended by Bob Rae in his 2005 review of post-secondary education, and tie future increases to inflation. Providing the increase now would allow for much-needed changes to OSAP assessment formulas, such as increasing the living allowance, which actually expects students currently to live below the poverty line.

Secondly, we must shore up the Ontario student opportunity grant, which effectively caps student debt at $7,000 per year, by forgiving all loans above that amount. Maintaining this cap at its current level is crucial to protecting students from potentially crippling debt.

Third, this money should be used to fulfill another Liberal platform promise: to extend the grace period before students must begin paying back their loans from six months to a full year. In addition, students ask that this grace period be made a true grace period and interest-free.

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Taking the government resources currently going primarily to families with higher incomes through tax credits and redirecting them toward students who desperately need the money to access an education is just the right thing to do during a time of economic uncertainty. We wish to stress that much of what we are proposing would require only a reallocation of money rather than new investments, but would do a great deal of things to access education.

Mr. Alexi White: Students' second priority is to see real improvement in student success and the quality of the learning environment. The quality of education delivered to our students is directly related to the way the system is funded. We will tackle that issue in a moment, but first we wish to recommend three pilot programs, all at a very low cost, which students are certain will have a tremendous impact on student success.

The first is a program that would train Ph.D. students how to teach. Five such pilots could be created at a one-year cost of $1 million. Currently, university instructors are not required to be formally trained as teachers, even though they will spend countless hours in the classroom. High school teachers are expected to complete a degree in teaching, yet university instructors can teach without any prior experience. Students believe training university instructors is one of the most important changes that must take place to improve quality.

The second pilot program would see teaching chairs funded at six universities across the province, at a cost of $1.2 million a year. These teaching chairs will allow faculty to undertake research that will contribute to literature on teaching and learning.

The third pilot program would see early warning programs created at a few universities at a cost of $1 million a year. The goal of these programs would be to monitor students who are at risk of dropping out and proactively help them, thus improving retention and graduation rates. Recent research in the US and Canada has indicated that certain groups of students are more likely to drop out and that proactively helping them can make them more than twice as likely to persist—but universities don't have the funding to proactively track students. If this pilot program is successful, it could spread to campuses across the province and drastically reduce dropout rates.

For a total investment of just over $3 million a year, the students of Ontario believe these three pilot programs could eventually have a significant impact on quality and student success.

Finally, students are deeply concerned that our universities may not receive the funding they require to grow and improve. The Ontario Undergraduate Student Alliance believes strongly that the foundation of our university funding model must be fairness. Students recognize that they should contribute something to their education, but the government also has a responsibility to adequately fund the system. The Ontario government still spends far less than other provinces and peer jurisdictions on post-secondary education. In June 2008, the Council of Ontario Universities revealed that even after Reaching Higher, our province still ranks last in funding in Canada on a per-student basis, with operating grants per student of $6,052 versus a Canadian average of $8,500. What's more, tuition has continued to increase in the past five years, giving Ontario the dubious distinction of having the highest tuition in Canada. Students are paying. It's time for the government to step up and contribute their fair share.

The Ontario Undergraduate Student Alliance recommends capping tuition increases at the rate of inflation until government funding for operating budgets has increased to $2 for every dollar of tuition collected. To begin to get us there, the students of Ontario are asking the government of Ontario to add $300 million to university operating budgets in each of the next five years. This is a minimum amount which will cover enrolment growth and cost inflation, but it's very important to point out that it will not provide enough for meaningful improvements to quality. More funding above this must be provided if the student experience is to improve.

To sum up, it is critical that we continue to build on the successes of the Reaching Higher plan by improving financial assistance and student success and by properly funding our universities.

I'd like to thank the committee again for your time. We welcome your questions.

The Vice-Chair (Mrs. Laura Albanese): Mr. Barrett?

Mr. Toby Barrett: Thank you for coming forward this morning. I hear what you're saying with respect to teaching in university. That's one of the initial reasons

why you attend. We've all had some good ones, and we've had some terrible ones.

Just a couple of quick questions: What percentage of a professor's time is spent teaching or lecturing; and secondly, how large are the lecture halls these days?

Mr. Alexi White: The second question depends completely on what year you're in. Classes can often range from hundreds of students in early years to quite small classes in later years.

In terms of the way that faculty spend their time, the accepted split is supposed to be 40-40-20—so 40% of time on research, 40% on teaching, and 20% would be on class administrative duties such as curriculum review. Unfortunately, a lot of students and a lot of other groups inside the sector believe this balance is off, that because of so many programs that have been created, especially by the federal government but also by the provincial government, there has been an added emphasis on research. In 2005, this government introduced $25 million for research chairs. There are no teaching chairs offered by the government, and that's one of the things we'd like to change and what we talked about here. We need to see leadership from the government to restore this balance.

Unfortunately, universities will always chase the money. If you put all the money in research, that's where the universities are going to go, at the expense of quality. If we see leadership from the government saying, "No, quality of teaching is just as important as research and we need to restore this balance," then that's where the universities will go. But we need to see that leadership.

Mr. Toby Barrett: And there's probably a system in place where you can, as a group, grade your professors as far as who's a good teacher and who isn't? Do you vote with your feet? Do you put a course out of business?

Mr. Alexi White: There are, I believe, in every course, at least at our universities, evaluations that are completed by the students. Because of collective bargaining agreements, very few of the results of those are released to students because they have to do with hiring, promotion and tenure decisions and therefore are not part of freedom of information or any sort of—so students basically have no ability to access those. They vote and they have no idea what the results of those votes are, and they can't use that to make choices afterwards. That's one of the other things we're working with the universities to try to change.

Mr. Toby Barrett: You must have your own system, though, on the website, like an informal system that—

Mr. Alexi White: Some universities do. There's also ratemyprofessors.com, which you can always use, but it's very—you have no idea which classes, which universities have different systems. It's all piecemeal.

Mr. Toby Barrett: Okay. One thing we're hearing in these deliberations is that the economy's changing pretty fast, the job market's changing pretty fast. Is there still a problem where a student would sign up, say, at Brock and get locked into a four- or five-year program, and then they find out all the good teachers are at another university? Are there barriers to essentially prevent students from moving, taking their package from university to university? It's all paid by taxpayers' dollars.

Mr. Alexi White: There is credit transfer from university to university.

Mr. Toby Barrett: Is there anything to prevent you from transferring?

Mr. Alexi White: Yes, there certainly are barriers. A lot of the discussion happening right now in this sector is more along the transition from college to university. University-to-university credit transfer is certainly an issue that's on a lot of students' radars as well. It's something that the government has signalled they're going to be looking into, so we're eager to start consultations on that.

A lot of the barriers just have to do with a lack of a consistently applied set of rules across the board. When you transfer from one school to another, you submit a list of your credits. The school you're transferring to decides which of those credits they're going to transfer. The experience that most students have had is that if the administrator looking over this has had a very good morning, you're going to get a lot more credits than if they haven't had a very good morning, and someone who applies the next day could get a very different answer for the same things. So that's the main problem that students see: It's completely arbitrary when they try to transfer from school to school.

Mr. Toby Barrett: I think it should be more centred on the student rather than on any administrator. I'm sure universities or colleges don't want to lose students. I just wonder if artificial barriers have been put up—like, once they get you in first year, it's to their benefit to keep you for three or four or five years.

The Vice-Chair (Mrs. Laura Albanese): Please be brief in the answer

Mr. Alexi White: I wouldn't say that universities are doing anything to prevent people from moving.

Mr. Toby Barrett: So it's pretty easy just to transfer? A semester here, a semester there?

Mr. Alexi White: The problem is, you can't take your credits with you, so you're starting again from scratch. But it's not the institution you're leaving, it's the one you're going to.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your submission this morning.

WELLESLEY INSTITUTE

The Vice-Chair (Mrs. Laura Albanese): We'll now call on the Wellesley Institute to come forward. You will have 10 minutes for your presentation. If you could identify yourselves for the purposes of our recording Hansard, you may begin.

Mr. Rick Blickstead: Thank you. My name is Rick Blickstead. I'm the CEO of the Wellesley Institute and an adjunct professor at the University of Toronto. I'm joined by one of our research analysts, Cristina Plamadeala.

I'd like to address very quickly a few things and put them in context.

First of all, we understand the tremendous budget constraints that governments are facing today. As an independent, non-partisan think tank working in population health, we try to be as pragmatic as possible, so our recommendations are within that context.

Secondly, we're trying to do this within what we call Vision 2020. We believe it's very important that all governments begin to articulate a 10-year planning horizon, for which we've recommended 2010 as a transition year and then three three-year cycles, which recognize what we expect will happen in the economy over the next three years, finally coming out of this at the tail end of 2018, 2019 and 2020.

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We'd also like to indicate that the gap between those who have and those who haven't is widening. It's nothing that you don't know. We're getting more and more of a dumbbell curve as we lose more and more middle-class jobs or what were originally called middle-class jobs. As we go forward into the intellectual or creative economy, this is becoming more and more difficult because we have almost 80% of the population who live with less than two paycheques of savings.

The rise of what we call the "precarious class," which used to be called the lower middle class and the working class, is a very significant issue facing us in terms of population health. We know that self-reported health is about three times poorer for those of low income than high income. We also know that the incidence of chronic disease is twice as high for those of lower income than higher income. If we were to close the gap, we believe and our research shows that an estimated 318,000 fewer people would report their health as poor, there would be 231,000 fewer people who are disabled, and we would have approximately 3,373—that's a pretty approximate number, isn't it?—fewer deaths each year.

We'd like to start talking about creating a vision for a triple-bottom-line economy, one that would lift the burden of poor health, deliver needed social benefits and provide significant economic stimuli. Therefore, we're proposing three major recommendations.

I say this within the context—and for those of you who may not know this, the third sector or the not-for-profit sector is six times the size of the automobile industry. The core not-for-profit sector is three times the size of the entire automobile industry. That's not to say that the auto industry isn't important, but it is to say that the third sector is very important to society.

First of all, we'd like to suggest that we lay the foundation for an affordable housing strategy. We very much applaud the stimulus packages that have occurred this year as they relate to affordable housing, but we're suggesting that we add an additional 4,000 homes per year, which would cost $289 million. Given the size of the Ontario budget, that's a very small percentage of that spending. We know from our research with the Dream Team that it costs $150 a day to keep someone with mental health issues in affordable housing compared to between $800 and $1,000 a day for use of the medical system.

Secondly, we believe that we need to move forward—and Ontario is the leader in Canada of this and can be the leader in the world—regarding health equity, and that is to reduce the disparity gap between those who have better access to health care and those who don't. As a result of that, we are suggesting and proposing that Ontario invest $43 million, which would go into three parts, primarily to create health disparity/health equity programs, then to involve evaluations and then to create knowledge transfer. Those would be divided by the 14 LHINs in the province.

In addition, we believe it's incredibly important to take a multi-sectoral approach to the budget and to building Ontario. This means that we have to encourage access to capital for the third sector. We have many, many social entrepreneurs who would offer businesses that would provide triple bottom lines, hiring people at the margins—there are many examples in the United States, in Canada, in the UK—but there is not the access to capital. Therefore, we are recommending that the government invest $30 million. As you may recall, there was a $20-million fund that was floated as part of the poverty reduction strategy. This is money that would be paid back. As a result of that, you would get interest rates on it. The problem is, they just can't get it from the banks now. While we've saved the banking structure, and we're very happy about that, they're not flowing those funds back into the communities that need them.

Those are our recommendations. I thank you very much for your attention and your consideration.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. This round of questioning will go to Mr. Prue of the NDP.

Mr. Michael Prue: In terms of housing, we heard on the road last week around Ontario, and I'm sure we're going to hear, that the need for social housing in Ontario is huge. There are tens of thousands of families on waiting lists in most of the municipalities. Today, our very first presenter, from Scotiabank, gave us some chilling statistics in terms of housing starts. They were averaging 77,000 in Ontario up until 2008 and then they fell precipitously to 49,000, and they're not likely to recover in the future. Is this an opportunity, in order to put construction workers and others back to pre-existing levels, to have them build social housing? Is that something we need to do?

Mr. Rick Blickstead: The answer is yes. There would be two or three major benefits. There's a huge multiple, as we know, in the construction business. It's the same logic that was used for the home renovation program. There is a huge need, because we've only built approximately 10% of the promised affordable housing that was supposed to happen in the last decade.

In addition, as of December 2009, there had not been one dollar spent of the $242 million that was promised through the federal affordable housing program. Again, the opportunity to use the money that has been allocated

and secondly to build these programs, which save tremendous money—and let's remember that for the people who are only two paycheques away from losing their homes, affordable housing takes on a whole different meaning. I would highly recommend that.

We also have to look at the issue of repairs and affordability because there are a lot of households that can have repairs. Unfortunately, in the new program, the renovation tax credit, you really had to spend $10,000 or have $10,000. These people don't have $10 for groceries. In short, I would answer it in that context.

Mr. Michael Prue: You gave us your first recommendation: an estimated cost of $289 million. Many people who advocate for social housing are talking about the 1% solution, which in Ontario would be $1 billion. Yours is much more modest; can you tell me why?

Mr. Rick Blickstead: The thing is that we go on the basis that Ontario will continue to meet its commitments, so this is an incremental $289 million. I think the reality is today, with reprofiling—if we could just get this moving. We also believe that through the social innovation fund, you will get organizations who can then tap into that and bring in the private sector—we're looking at a third, a third and a third contribution—so that the private sector would be incented to use that. A billion dollars is a great number; the thing is, I don't think it's pragmatic in this particular situation.

Mr. Michael Prue: When you talk about the private sector coming into the housing market—I was down in Regent Park about two weeks ago when the Premier was brought around, but I tagged along just to see what was being said. Is that the kind of thing you're looking at, that kind of innovation where the private sector combines in social housing projects?

Mr. Rick Blickstead: Absolutely. It's Regent Park. It's the ability of an organization like Street Health to tap into social innovation funds, to find a partner who's from the private sector and therefore to bring that capital together. Part of the challenge the private sector has is that they can't get access to capital for social housing. So it just continues to be a dynamic that's just not acceptable.

Mr. Michael Prue: In terms of the—have I got time?

The Vice-Chair (Mrs. Laura Albanese): Forty-five seconds.

Mr. Michael Prue: Okay. If you could expand a little bit on the health equity innovation fund—you say it's $43 million. What exactly do you expect to get for that?

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Mr. Rick Blickstead: We expect that within every LHIN there would be approximately $900,000 to invest in programs that ensure equity. We've helped to write the health equity strategy for the Toronto Central LHIN, which is being used in all the LHINs, and we've helped to develop the health equity tool, which is being used in the hospitals. That really says: How do we ensure that we are, at the beginning, developing our plans to ensure that we have equitable access, cultural diversity etc.? So there would be $900,000 for that, there would be $100,000 for the evaluation program in all 14 LHINs, and then there would be roughly about $100,000 for an overall knowledge transfer, because part of the challenge is sharing that information amongst the LHINs to make them more effective.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Mr. Rick Blickstead: Thank you very much for your time. I appreciate it.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your time.

CANADA'S VENTURE CAPITAL AND PRIVATE EQUITY ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I now call on the Canada's Venture Capital and Private Equity Association. Good morning. Please come forward. You will have 10 minutes for your presentation. That could be followed by up to five minutes of questioning. If you could please state your name for the purposes of our recording Hansard, and you may begin at any time.

Mr. Mark McQueen: Thank you. Good morning. My name is Mark McQueen and I'm on the executive committee of Canada's Venture Capital and Private Equity Association. I'm also president and CEO of Wellington Financial, which is Canada's most active venture debt fund. With me is Richard Rémillard, who is CVCA's executive director of many years' standing.

The CVCA is the sole national association representing the venture capital and private equity industry in Canada. Its 130 member funds have approximately $75 billion in capital under management, primarily held in pension funds. A significant proportion of its members are Ontario-based. The industry provides the bulk of the financing for Ontario's high-technology industries—information and communications technologies, life sciences and clean tech.

Venture-capital-backed companies are high value-added to our economy as they are export- and R&D-intensive and, most importantly, they are fast growers. A venture-backed company grows five times faster than the economy as a whole, and that has a significant impact on job creation. Throughout Ontario, however, we are in crisis. Investment in these industries is down dramatically over the last several years.

According to the CVCA's Q3 data, which is tracked by Thomson, in the 2009 third quarter only $24 million was invested in Ontario venture-capital-backed companies. This took Ontario out of the top 20 states and provinces in North America for dollars invested in its economy in the third quarter. This is a multi-decade low for the province.

During that same period, the Ontario VC industry was able to raise only $1 million of new venture capital to replenish its coffers, which means that three, four or five years from now, the entire industry would only have that $1 million to invest in companies. Ultimately, the industry's ability to invest in promising start-up companies is driven by its success in raising new capital.

We are finalizing our investment statistics for 2009, and they'll be released in perhaps 10 days. These data show that venture capital investment fell approximately 50%, to less than $300 million and, depending on how you categorize certain investments, $128 million in Ontario relative to 2008, so potentially down by half at least, if not three quarters, in one year.

By contrast, venture capital investment in Quebec was up 6% to over $416 million in 2009 versus 2008. So it's not like the global economy or the global financial crisis was having an impact specifically on our sector, or certainly not on the province. Barely more than one quarter of all VC disbursements in Canada were made in Ontario in 2009 despite almost double that population figure. That is our lowest share in over a decade. Clearly, Ontario is punching below its weight.

We recommend that the forthcoming budget contain measures to address the capital shortfall in our industry, and not just policies but actually implement policies that are already in place. We have a capital shortfall that is constraining our ability to fund the high-tech, high-growth, high-export, job-producing companies that Ontario needs and to commercialize the very technology and life science ideas that are being developed on campuses. We've got a huge amount of money going into R&D, and then you have perhaps less than 1% of that turning into commercializable and job-creating companies. That is a flaw that is, I appreciate, not a new concept, but when combined with the rest of the collapse in the sector, it now becomes quite stark.

Here are our recommendations, some of which have a neutral cost and some of which have a cost that is quite modest compared to previous investments:

Put more money into the Ontario venture capital fund, the OVCF, to ensure that this capital is actually deployed into funds. In 2007, $205 million was committed, $90 million of which was by the provincial government. Not one of those dollars has gone into a fund as of yet, two years later. There has been approximately $3.5 million invested over two years into two companies, which would be less than the fees paid to manage the money and the legals to arrange to set the fund up.

Secondly, revisit the decision to phase out the retail fund tax credit. The governments in five other provinces are enhancing their labour-sponsored fund industry credits just as Ontario is closing its door on our own.

Thirdly, introduce incentives for major contractors with government to invest in venture capital funds in lieu of other offsets in industrialized economy.

Fourth, allow corporations to treat their investments in VC funds on the same basis as they are allowed to treat R&D expenditures. If you have a 20-person team in Ontario, at EnCana, doing R&D, and that's deductible, why would that very investment in a science-and-technology-backed venture capital fund not also be deductible for tax purposes? Why are we forcing big companies—Inco and whatnot—to in-house their R&D when they could probably do it more cost-effectively at arm's length?

Lastly, the SR and ED program is a great success, and existing public service comfort with that—CFOs and VCs understand how it works. Without question, it's very popular and, compared to the United States, a competitive advantage for us. Let's find ways to improve that so that what today would be an 82-cent-on-the-dollar rebate might get up to $1 or $1.25.

I know several of you have spent some time thinking about these issues over recent months and years.

We'd like to stop there and invite questions, given our time. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. Mr. Flynn?

Mr. Kevin Daniel Flynn: Thank you for that presentation. It was very interesting.

You were talking about, I think, the third quarter of 2009 and how we sort of bottomed out.

Mr. Mark McQueen: We hope we bottomed out.

Mr. Kevin Daniel Flynn: I'm hopeful of that; I'm sure we all are around this table.

We've had a few people in to see us this morning. We started off with some expert witnesses. They were talking about seeing a potential increase in interest rates, that perhaps we'll see out the year at these sort of rates, but we may not see these rates again, and that we should all anticipate that interest rates should climb. Talking about our performance here in Ontario vis-à-vis other jurisdictions—the ones we compete with in the Great Lakes area, for example, and other jurisdictions on a global basis—I think we all got the impression that it's going to be a long and bumpy sort of recovery, but the recovery is coming, and the moves that we are making in Ontario, as far as things like tax reform, corporate tax cuts and income tax cuts, are the way to go; that people are looking for a planned movement away from deficit budgets and a return toward balanced budgets, but in a strategic way.

As a venture capitalist, as somebody who is looking for places to locate their money, which I'm assuming are in high-risk investments with higher yields at the end of the day, hopefully, where is Ontario? You said that we dropped out of a list of 20. Do you see a continued drop? Or do you see Ontario, with the moves it has made recently, re-entering that list of 20?

Mr. Mark McQueen: You shouldn't confuse investments with Samsung or with French-based gaming companies—anything at all to do with clean tech, biotech, information communications technology and life science. These are global players who are going to go and do discrete job hirings for their own reasons. I think what you're asking about is in Ottawa, in Hamilton, in Waterloo and around Toronto, in places that have established—Kingston Technology, life science ecosystems—on campus, off-campus, around, with VC funds in those regions, to help stimulate those companies, seed them and grow them, along with angel investors and others. There's no evidence to suggest that what has been a multi-year drop—2004 till today—will end this year. It's separate from the economy, frankly. In 2007 we were in

a crisis, and the economy couldn't have been doing better. So this is separate from that.

Mr. Kevin Daniel Flynn: Presumably, a venture capitalist who has some capital to locate chooses to put that somewhere else, as opposed to into some of the investments you're talking about. Where is that going now? Just sitting in a bank?

Mr. Mark McQueen: No. If only they had the money to invest, right? The folks who have portfolios today are clearly trying to shepherd those portfolios to some success. The folks with new money—Ontario doesn't have that luxury because, frankly, in the last three years, none of the Ontario-based funds other than our own has raised new capital. Quebec has had about $2 billion of new VC raised for their funds in the last 30 months. For Boston- and New York-based funds, they're coming in for series C or series D rounds—so think $5-million revenue and up. That's not the scariest part of the investing period or the part where local VCs in North America or Israel or anywhere would have the biggest impact.

Mr. Richard Rémillard: If I could just add to what Mark has said: We may or may not be in the top 20 once our fourth quarter statistics are released. It looks like we'll be somewhere around 18th or 19th, perhaps, when the dust finally settles—but not a great place to be. Traditionally, Ontario has been somewhere around ninth to 13th, that sort of band. So it won't be great for 2009.

One of the obstacles to getting investment into this province, as well as into the country, is an interesting little quirk of the Canadian federal tax legislation called section 116. We have an active campaign in Ottawa to get them to change the provisions of this tax ruling, which makes it more difficult than it should be for foreign capital to come into the country. Foreign capital has been declining in the last couple of years, below the historical levels.

You asked where the money is going right now. In the third quarter of 2009, $24 million was invested in Ontario and $17 million in Newfoundland.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. Unfortunately, the time has expired.

We will recess until 1 o'clock sharp.

The committee recessed from 1203 to 1305.

UNITED STEELWORKERS UNION

The Vice-Chair (Mrs. Laura Albanese): The Standing Committee on Finance and Economic Affairs will come to order for our afternoon session.

Our first submission will come from the United Steelworkers Union national office. Welcome back.

Mr. Erin Weir: Thank you, Madam Chair. It's great to be back. I was starting to miss this committee already.

I'm Erin Weir from the United Steelworkers Union's Canadian national office. This morning in my role as an expert witness, I explained why the budget deficit is not the most urgent problem facing Ontario. This afternoon in my role as a witness for the United Steelworkers, I will focus on the more pressing problem of unemployment and policies to create jobs.

I'm sure that throughout this committee's deliberations you will hear many depressing statistics about the grim state of Ontario's labour market. I will share only two numbers that are particularly important from my union's perspective. Since October 2008, when the financial crisis really hit the labour market, Ontario has lost 116,000 manufacturing jobs. Since manufacturing employment peaked in November 2002, Ontario has lost a grand total of 327,000 manufacturing jobs.

The appropriate policy response is for government measures that are directly targeted towards creating jobs. In this context, I would like to examine Ontario's Tax Plan for Jobs and Growth. It includes investment tax credits through the harmonized sales tax of $4.5 billion annually. It also includes a corporate income tax rate reduction of $2.4 billion annually.

Provincial policy-makers must ask whether these tax cuts are the best possible use of nearly $7 billion per year. I will argue that these across-the-board tax cuts are not the best way to create jobs. A more targeted use of nearly $7 billion or even less money could have created many more jobs. In particular, I will make the case for tax credits for new investment and the hiring of new workers in Ontario. I will develop this case with reference to three different concepts of targeting: first, targeting the economic outcomes that we want; second, targeting new or incremental economic activity, as opposed to economic activity which would have happened anyway; and, third, targeting the industries that are most vulnerable to international competition and most able to move to other jurisdictions.

Ontario's Tax Plan for Jobs and Growth provides tax breaks for the use of inputs and for the generation of corporate profits; however, the goal of public policy is presumably not to encourage the use of more inputs or to increase profits. I think all members of this committee would agree that the goal of provincial policy is to increase investment and employment in Ontario. So why not instead institute tax credits that are directly related to new investment in Ontario and/or the hiring of new workers in Ontario?

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The second concept of targeting that I'd like to focus on is the importance of concentrating on new economic activity rather than things that would have taken place anyway. I think it's fair to say that most of the $4.5 billion of input tax credits provided through harmonization will reduce the cost of inputs that Ontario businesses would have purchased in any case. Similarly, most of the $2.4 billion of corporate income tax reduction will be on profits that would have been generated in Ontario anyway. Very little of this funding will go to inputs for or profits from new investments.

Now, I have to acknowledge that tax credits for new investment or hiring of workers would of course provide some money for investments that would have been undertaken anyway or for workers who would have been

hired anyway, but at least these types of targeted tax breaks would go to new investment and new workers rather than flowing to businesses for existing facilities and existing employees.

The final concept of targeting that I'd like to discuss is the notion of targeting those industries that are most vulnerable to international competition and that are most able to move to other jurisdictions. Some industries, like manufacturing, are completely exposed to foreign competition and very mobile between different parts of the world. For example, it is possible for a factory to close down in Ontario, reopen in China and continue selling its output into the North American market. On the other hand, other industries, like construction, are much more sheltered from international competition and are inherently based in the local economy. For example, it is impossible to construct a building in China, put it on a barge and then move it to downtown Toronto.

I would submit that economic policy should be most concerned about the first type of industry. If Ontario can retain a good share of internationally mobile industries like manufacturing, then the provincial economy will be prosperous and the more locally oriented industries will also do quite well as a consequence.

From this perspective, Ontario's Tax Plan for Jobs and Growth is quite poorly targeted. I would draw your attention in particular to table 1 of that document. It indicates that a majority of the input tax credits through the harmonized sales tax will go to the construction industry. Specifically, construction is going to get $2.3 billion out of the $4.5 billion of input tax credits. So most of the harmonization benefit for business is actually targeted at an industry that is not very exposed to international competition and that has very little capacity to relocate itself to other jurisdictions.

Much has been made about the notion that these input tax credits will be a boon to manufacturers, who often use inputs multiple times throughout the production process. But again, I would draw your attention to the same table, which shows that manufacturing will get $510 million of input tax credits. That's only about 11% of the total amount being spent on input tax credits. By contrast, the most recent available Statistics Canada figures indicate that manufacturing accounts for fully 17% of Ontario's gross domestic product. So the input tax credits being delivered through the harmonized sales tax will provide disproportionately little support to manufacturing, an industry which I would argue is disproportionately in need of support from provincial public policy. In fact, manufacturing would have actually been better served had the provincial government simply taken the $4.5 billion and distributed it equally according to shares of gross domestic product.

The Vice-Chair (Mrs. Laura Albanese): One minute left.

Mr. Erin Weir: Thank you, Madam Chair. I will simply close by pointing out that the corporate income tax reduction in this same tax plan is also very poorly targeted in the same respect. Most of the money being lost by cutting the corporate income tax will not go to manufacturing or other internationally mobile industries. In fact, the single biggest beneficiary of this corporate income tax reduction will be the financial services industry, excluding insurance—in other words, banks.

I will close my remarks on that note and look forward to any questions that the committee may have.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I will turn it over to Mr. Barrett for questions.

Mr. Toby Barrett: Thank you, Chair. Thank you, Erin. Can I call you Erin? We were speaking a lot this morning.

Mr. Erin Weir: You may, yes. We're old friends now.

Mr. Toby Barrett: You've changed hats a bit, to talk a bit more about the labour market and employment. Certainly in the short run, this is all about jobs. I hear what you're saying as far as tax credits for new jobs, for new investment, and to target those industries most vulnerable to foreign competition.

I had alluded earlier to a situation where we have a company in Canada that purchased Canadian plants, and those Canadian plants are now vulnerable to foreign competition from plants owned by the same company. I'm referring to US Steel and what has happened to the Hilton Works and Lake Erie Works. Of course, the company would indicate that they've got to wait for the economy to come back and the price of steel to return, and whether this goes back to Obama's Made in America and why steel is being shipped up from Gary for Canadian use. But as a result, as far as employment, Local 8782 has 1,100 laid-off workers and 157 locked-out workers. For those laid off, EI runs out this spring. Those who are locked out never did get EI.

There's a problem here. My colleague with the third party, Paul Miller, has a private member's bill, Bill 239, that deals with the Ontario Employment Standards Act, but it's going to have to relate to the federal level as well. If you're locked out, for purposes of EI, it's not counted as an excluded week. You don't exist, essentially.

I don't see the difference, in many ways, as far as government support or trying to maintain a labour market or keeping people to stay around until the mills open up, between being locked out or laid off. Any comments on that, or the bigger picture?

Mr. Erin Weir: Yes. Certainly, I think we in the labour movement are prepared to accept that if we vote to go on strike, then we wouldn't be entitled to employment insurance. But we do tend to take the view that if the employer chooses to lock us out, that's analogous to being laid off involuntarily, and the workers in that situation should receive employment insurance benefits. I would note that in many American states, locked-out workers would receive unemployment benefits, so I'm very glad that you and others are making the case for that kind of reform in Canada.

I would share your concern and surprise that US Steel has closed down the Lake Erie Works. Certainly, I think

that was seen to be one of the more efficient and cost-effective facilities in North America.

In terms of vulnerability to international competition, that could be heightened by having the company also owning facilities in the United States. But I would argue that purely Canadian-owned manufacturers are also quite exposed to international competition, and that this rationale for targeting support for manufacturing holds up whether the industry is foreign-owned or Canadian-owned.

Mr. Toby Barrett: Again, at first blush, we're concerned with the jobs themselves, but by the same token, so many of the people—as with Paul, we're down at the plant gate regularly—don't see a future. US Steel would be losing potential employees who give up. Especially with no EI, you've got to move on; you've got to pick up another job elsewhere. You've got to make a commitment to your new employer. You're not going to go back to the steel mill if things change. So I feel it's counterproductive, as well, with a government policy like this.

1320

You do talk about manufacturing jobs. We know a significant amount of money went to the auto sector, and a significant amount of money is flowing through the municipal sector in stimulus funding. Granted—

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Toby Barrett: —if we build cars, we produce steel, but I don't see the direct kind of grants or funding, say, for the primary industry, for the steel industry. We see it for auto. Is this a trickle-down theory? What's the idea behind this?

Mr. Erin Weir: I think that's an accurate observation, that there has been quite extensive support for the auto industry. Certainly, I'm in favour of that support, but it would be nice for the government to recognize the importance of having steel manufacturing in Ontario to sustain all of the other manufacturing industry, including autos, that is built on that. I think steel is often regarded as a kind of homogeneous commodity that could be produced anywhere and used in Ontario, but in fact there's very much an interactive process between the auto industry and the steel mills, where they're going back and forth. The steel mills are producing quite specialized products for the auto industry. So I think that having the steel industry in the province is quite important to having an auto industry here. I think you're absolutely right that the province should probably pay a little more attention to supporting the steel sector as well.

The Vice-Chair (Mrs. Laura Albanese): Thank very much. The time has expired. Thanks for appearing again in front of the committee.

Mr. Erin Weir: Thanks again for your time and for the opportunity to appear.

CANADIAN HEARING SOCIETY

The Vice-Chair (Mrs. Laura Albanese): Now we call on the Canadian Hearing Society to come forward. You will have up to 10 minutes for your presentation. If you could be so kind as to identify yourself for the purposes of our recording Hansard, you may begin any time.

Mr. Gary Malkowski (Interpretation): Good afternoon, Madam Chair and the rest of the committee. I very much miss my time sitting on this committee, years ago. But let me first introduce next to me Denis Morrice, who is the interim president and CEO of the Canadian Hearing Society. I'm Gary Malkowski. I'm special adviser to the president, public affairs.

Denis?

Mr. Denis Morrice: Thanks, Gary. When I started working for the Canadian Hearing Society many, many years ago, I didn't know any sign language, and I found out that just because you know some sign language, it doesn't mean you can communicate with deaf people or the deaf community. But one thing the deaf people did teach me was my sign. They always give someone a sign, and mine was D for Denis. Rather than spelling out "D-E-N-I-S M-O-R-R-I-C-E," they put it up here: "You're the boss. So it's Denis." Then I realized that, as some of the meetings went on, this D started to move over, and this means stupid. So you had to watch how it flowed all the time.

But I would really like to congratulate all of you in terms of the partnership that has been built with the Ontario government and the Canadian Hearing Society, and it's been with all three parties. It's not very often one gets to congratulate all three parties over a single issue, but it has been with all three parties that we've worked. Also, a thank you and congratulations to the senior civil servants and bureaucrats who have worked with us to develop the services, because deafness—in this whole field, it comes down to communication, and deaf people are cut off services that you and I take for granted every single day.

What we've been able to build together—and that's with the Ontario government and the Canadian Hearing Society—we now have 28 offices across the province. The one thing we do is stay in contact with our stakeholders, and that's with the hard-of-hearing associations across the country, with the deaf organizations and with the parent organizations. So we're identifying their needs, not ours. We're working with them as they identify them and move on them.

A lot of the people that the hearing society deals with are very marginalized. A lot of the people are on the street. People have been evicted from their apartments. They're having difficulty coping. Also, in terms of employment: We all want a job, we want to provide for our families, and there's a lot of discrimination that goes on in the workplace and a lot of things that deaf people are cut off from—instead of having an interpreter in the workplace at times for that interview, for that promotion that goes on and how to find that new job.

Mental health services: The Ontario government has picked up the issue of mental health services and is doing something about it. The only way that can be done is working with the Canadian Hearing Society, and we're certainly looking forward to seeing that develop so that they are not left out in the cold, so to speak.

For a lot of deaf and hard-of-hearing people, going to college and university, if they don't have interpreters and if they don't have real-time captioning—and the technology has just moved leaps and bounds, and it's pretty phenomenal to see what has happened. A lot of these deaf and hard-of-hearing students who didn't have access to a lot of those programs and a lot of those classes now have access to them. Again, it's because of our partnership. And it's navigating that system, as we all know. Filling out any government form—you're all used to it—becomes very cumbersome: the pink form, the yellow form, the blue form, and in triplicate and so on. Because literacy is an issue, that's what the Canadian Hearing Society does.

I'm going to stop there because I'd like Gary to really explain what goes on with deaf people.

Mr. Gary Malkowski (Interpretation): I actually just have a few stories I'd like to share with you and they're consumer stories—stories that I think really tell the story of many individuals in the community.

There's a 14-year-old girl who was suspended from school. She was told that she needed to get mental health counselling services before she could return to school. She's still out of school because there's no service available to her. There's no accessible service; she's not able to access it, so the school will not permit her to go back. I think that's something we really do need to address for people who are deaf, deafened and hard-of-hearing.

Another example: A lady, 40 years old, very skilled, was an alcoholic and at that point decided she wanted to stop being an alcoholic, wanted to move forward with her life. She sought out addictions counselling and was not able to find anywhere to support her because of the communication issues.

Another example: a 44-year-old woman who is deafened. She lost her hearing and, as a consequence, lost her job; she was laid off. She should not have lost her job just because of the mere fact that she had lost her hearing. She could have been given accommodations, but she didn't know her rights; she didn't know that there were accommodations available to her. She went to a mainstream service provider that tries to find individuals work, an employment service, and they weren't able to work with her. They weren't able to help her save her job. They didn't know what accommodations they could put in place for her either because they didn't have the expertise.

Another individual: an eight-year-old child with a cochlear implant, who had severe behavioural issues and was very difficult to manage at home and at school. His parents were trying to find him assistance, but there was no assistance that was able to work with him in the communication necessary. They weren't able to do psychological assessments with him because nobody could communicate with him. So we need to see specialized services that are able to work with these individuals.

We at CHS understand the tough economic times very well. We provide essential services and programs which assist our CHS consumers and Ontarians in these difficult times.

Services offered by CHS, such as employment services, general support services, Connect mental health services and Ontario interpreting services, are all funded by the government of Ontario and are a lifeline to our consumers. I just ask: Imagine not having the services that you have available to you on a daily basis.

Often we have deaf, deafened and hard-of-hearing individuals who are just not able to access the services in the province of Ontario. We want to work with you, the government of Ontario, to be able to provide the services necessary to those individuals and allow us to move forward towards our mutual goal of a more equitable social and economic participation.

The nature of hearing loss itself and the reality of living with hearing loss in a hearing world are fundamental to understanding our consumers' psychological health and daily living needs.

The deaf, deafened and hard-of-hearing community use CHS's services because we understand the communities and culture. We have in-house accessibility and we have expertise in accommodation and devices to overcome barriers. At CHS, we're the only open door to our consumers.

We have specialized services, such as employment services. Employment Ontario and ODSP must recognize and fund specialized services like CHS because it will provide services to job seekers who are not successfully served by the mainstream providers. Employment, in turn, pays a dividend in reduced social assistance, reduced health care costs, reduced barriers to housing and increased tax revenues. Working together, we can do this.

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We also have the Connect mental health services, where, together, the Canadian Hearing Society and the government of Ontario, can deliver accessible, integrated mental health services to the deaf and hard-of-hearing communities. We've been able to offer these very important services since 2006, and we've come to ask for $4.2 million to assist our customers.

Visual fire alarms are a third priority. Visual fire alarms and carbon monoxide detectors are essential to the safety of culturally deaf, oral-deaf, deafened and hard-of-hearing Ontarians—quite simply accessible. We've had several deaths of individuals who didn't have the technology in their home to know that a fire was happening. Landlords should be required to install fire alarms—whether it be in homes that are being purchased or that are being rented—at no cost to those individuals.

Denis?

Mr. Denis Morrice: I just want to thank you. I'm sure you've got an appreciation of what it is—and I don't know many other areas where they've actually elected a

deaf person as an MPP. As you know, Gary was an MPP, and it really hasn't happened in many places. So in terms of the accessibility, you did it, and Ontario can be very proud of the things that we have going. I just want to thank you for the continued support and the partnership we have built. I think, together, we'll just keep going. So thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that presentation. I will now turn it over to Mr. Prue for questions.

Mr. Michael Prue: Thank you very much. And, yes, we in East York are hugely proud of Gary Malkowski.

A couple of questions here. In terms of ODSP, it is said that the majority of people who are disabled in Ontario, and that's all disabilities, live in poverty. That includes people in the deaf community. The government continues to claw back half of all the money that people earn if they are lucky enough to get a job. Do you think that that policy works for the deaf community in order that they go out and find jobs?

Mr. Gary Malkowski (Interpretation): I think the ODSP policy is ineffective. According to the MCSS, the ODSP statistics have seen that there are 4,200 deaf and hard-of-hearing Ontarians who depend on ODSP regularly. That is a huge number. To look at the amount that would be, it would be $4 million a month, and there's no revenue coming in from that. I think if you invest in job training, you invest in work experience for these individuals, you invest in trying to allow them every possible chance to get employment; you're going to see a lot of results from that.

I think we need to go back and revisit the old rehabilitation services program. I think that model was the most effective program that we had in history.

Mr. Michael Prue: You talked about the fire alarms, and it makes huge sense to me, in terms of fire alarms, that they be provided to people who are deaf, that they be visual fire alarms. What is the cost? What is the cost differential between a sound fire alarm or a sound carbon monoxide alarm and a visual light carbon monoxide or fire alarm? What is the difference in cost?

Mr. Gary Malkowski (Interpretation): The fire code states that it's mandatory that all households in Ontario purchase a fire alarm—an audible alarm. It costs probably anywhere from $25 to $30. So, as a deaf individual, I need to purchase this, put it in my home, but in no way does it benefit me. I can't hear it. What needs to happen is that you need to have the visual alarm as well, and that's at a cost of about $100 to $150 for the unit itself. But it needs to be hardwired, so that means the drywall needs to be removed and there are labour costs. You're looking at about $300 or $400 for the labour costs. It's about $500 in total. Then, of course, you'd have the carbon monoxide as well as the fire detector, so I'm going to say about $500. It depends, also, on the apartment, the condo, and any associated costs.

Mr. Denis Morrice: I think that's the difference, that type of retrofitting that we went through many years ago with ramps and so on. If we pass a building code where it's just a given that that's what you install, then that's what happens. If we look at the number of hard-of-hearing people now, as many of us getting to that age are losing our hearing, we will need it also.

If you even look at the subway system, on the subway system, when the doors open and close, you see the light flash. People know the door is about to open or close. It's the same with the sound: The bing-bong on the subway is at a different frequency. It's done deliberately so that a person with a hearing aid can hear it. The technology is here today.

Mr. Michael Prue: I was asking that question because the recommendation is that all builders and landlords should be required to install the visual fire alarms, so it will cost. I'm worried about landlords renting a facility to a deaf person because it's going to cost them an extra $475 right off the get-go. Would it be better to recommend that the government subsidize the landlord in every case, because there are only 4,000 or so?

Mr. Gary Malkowski (Interpretation): If landlords have the ability to prove undue financial hardship, then in that case, yes, I do see that there should be some assistance. I would suggest that that be through the assistive devices program, ADP. That also could be for individuals who may be homeowners who can't afford it. They can use the ADP as well.

There should be a tax incentive for landlords. That could be the other option, having a tax incentive in place. I think there are lots of different benefits that are available to landlords in that type of situation.

Mr. Michael Prue: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. The time, unfortunately, has expired.

Mr. Denis Morrice: Thank you for the opportunity, and we'll get out of your way very quickly.

ONTARIO CONFEDERATION OF UNIVERSITY FACULTY ASSOCIATIONS

The Vice-Chair (Mrs. Laura Albanese): Now I call on the Ontario Confederation of University Faculty Associations to come forward. Good afternoon. You will have 10 minutes for your presentation, and that will be followed by up to five minutes of questioning. Kindly identify yourselves for the purposes of our recording Hansard, and after that you may begin.

Mr. Mark Langer: Madam Chair and committee members, I appreciate the opportunity to speak to you today on behalf of the Ontario Confederation of University Faculty Associations, representing more than 15,000 professors and university librarians in Ontario. I'm Mark Langer, the president of OCUFA and a professor of film studies at Carlton University. With me today are Henry Mandelbaum, OCUFA'S executive director; Mark Rosenfeld, the associate executive director; and Graeme Stewart, our communication and government relations manager.

Ontario has had an excellent higher education system; however, our universities face a series of challenges that

endanger the quality of post-secondary education in our province. The people of Ontario need well-funded, high-quality universities to overcome the current economic downturn and achieve our potential in the new knowledge economy. Universities are essential to the success of our province, from training a skilled workforce to creating the innovations that will drive our competitiveness. Unfortunately, chronic underfunding makes it difficult for universities to play their vital social and economic role.

The results of this underfunding are easy to see: Class sizes are growing to unprecedented levels; students have less access to full-time professors; labs, libraries and classrooms are deteriorating; and tuition fees are climbing ever higher. Ontario now has the highest tuition in Canada. If we allow these trends to continue, we will be shortchanging our students and compromising the future of our province. OCUFA has developed a series of recommendations to address the underfunding of our universities. We believe that additional government funding is the only way to ensure the quality of higher education in Ontario while preserving the accessibility of the system.

One of the most serious challenges to the quality of university education is a lack of full-time professors and rising student-to-faculty ratios. Students need access to their professors to be successful. Ontario currently has the worst student-to-faculty ratio in Canada. To fix this problem, Ontario needs to hire 5,000 new faculty by 2014. This will require an investment of $80 million in additional operating funds in 2010-11, rising to $400 million by 2014.

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Ontario's universities also need to renew aging infrastructure. One-time infrastructure project funding is an excellent and very-much-appreciated way to increase campus space. However, existing facilities need to be upgraded to ensure that every student benefits from top-quality labs, classrooms and libraries. To achieve this goal, OCUFA recommends that an additional $73 million be added to university operating grants in 2010, rising to $365 million in 2014. Of this new funding, approximately 48% would go to facility renewal, 37% will be used to upgrade information technology and computing resources, and 15% will go to enhance libraries.

It is also important to invest in the affordability and accessibility of our university system. Ontario's students currently pay more both in terms of absolute dollars and as a proportion of operating revenue than students in Canada and peer jurisdictions in the United States. These high tuition fees make it difficult for many middle- and lower-income students to afford higher education, even with government financial assistance. High fees also leave graduates with high levels of student debt. Students already pay more than their fair share. To ensure that our university system remains open to every willing and qualified student, OCUFA recommends tuition in Ontario be frozen. It will also be necessary to provide compensatory funding to universities for lost projected-tuition-fee revenue.

Full details on these proposals can be found in our submission.

OCUFA recognizes that these recommendations are expensive. We are also aware of the serious financial realities facing the government of Ontario, but it's important to realize that increased public funding is not a cost. It is an investment in the people of Ontario and the ultimate success of our economy. Study after study shows that a region's economic competitiveness and social vitality depend on a well-funded, high-quality post-secondary education system. Given the government's stated objectives—job creation, education and economic growth, and I'm thinking of Erin's previous presentation mentioning the hundreds of thousands who have lost jobs in Ontario who need the new skills taught at universities—we can ill afford to under-resource our universities. A well-funded university system equips students with the skills they need to succeed in the knowledge economy, it drives the research and innovation that will build our economic competitiveness, and it produces the citizens and leaders we need to achieve our potential as a province.

In 2005, the government of Ontario invested billions in our province's higher education system. It was a bold, forward-thinking move. Now is not the time to abandon this commitment to our students. Investment in universities is economic stimulus funding. By equipping universities to train a new workforce and supercharge our economy, you provide a way out of the current recession and an end to the provincial deficit. More importantly, it is a strategy to ensure that we avoid the next economic crisis altogether.

I thank you for giving us the opportunity to appear here, and I'm very happy to take any questions that you might have.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I will ask Mr. Leal to move forward with the questioning.

Mr. Jeff Leal: Thank you for your presentation today. We are, indeed, in the last year of the Reaching Higher program. If you were to provide some advice today, what elements would you like to see in a successor initiative to the Reaching Higher program or, for want of a better term, Reaching Higher II?

Mr. Mark Langer: OCUFA is requesting that the 2010 Ontario budget contain $153 million in additional university operating funds. Of this, $80 million would go to hiring new, full-time faculty, and $73 million would go to infrastructure renewal, information technology resources and libraries. If Reaching Higher II follows the OCUFA plan, which I fully expect will happen, the total additional operating funds will increase to $765 million in the 2014-15 school year, and that would be $400 million for additional faculty and $365 million for infrastructure.

Mr. Jeff Leal: I'm from Peterborough, the home of Trent University, so I'm very familiar with some of the

issues. This morning we heard from the Ontario Undergraduate Student Alliance with some suggestions. They talked about establishing five pilot sites throughout Ontario for teaching chairs. I'd just like to get your comment on that.

Mr. Mark Langer: OCUFA does not really support—first of all, I'm not entirely sure what they're asking for in terms of teaching chairs. Is this for research into teaching?

Mr. Jeff Leal: This would be the equivalent of—we have established the research chairs in the province of Ontario. Their recommendation is to establish five pilots at universities across Ontario to develop teaching chairs.

Mr. Mark Langer: Are these to be teaching-only positions?

Mr. Jeff Leal: That's the way I'm hearing it. Teaching professors to teach the teachers.

Mr. Mark Langer: We certainly don't object to studies in education, if that indeed is what's being proposed. On the other hand, the reason that I wanted to be clear on this is there have been proposals that there be teaching-only positions, and OCUFA is very much opposed to this because study after study has emphasized the importance, in delivering quality of education, to have students taught by people who are actively engaged in research, so students are always being exposed to the cutting edge of research and faculty have the ability to bring their research skills fully into the education of students.

Mr. Jeff Leal: Good. Thank you.

The Vice-Chair (Mrs. Laura Albanese): That concludes, I guess, our questioning. Thank you for appearing before our committee and for your submission.

Mr. Mark Langer: Thank you very much, Madam Chair.

ALZHEIMER SOCIETY OF ONTARIO

The Vice-Chair (Mrs. Laura Albanese): I now call on the Alzheimer Society of Ontario. Please come forward. You will have 10 minutes for your presentation. If you could please state your name before you begin for the purposes of our recording Hansard, that would be appreciated. Thank you.

Ms. Gale Carey: Thank you. My name is Gale Carey. I'm the CEO for the Alzheimer Society of Ontario. With me today is Jacquie Micallef who is our coordinator, public policy and chapter relations.

Madam Chair, members of the committee, ladies and gentlemen, thank you for providing the Alzheimer Society of Ontario the opportunity to present to you on the issues related to dementia in Ontario. We appreciate that last week you heard from the northern Alzheimer Society chapters. As well, in December 2009, we presented to Minister Duncan during his pre-budget consultation sessions on the issues related to caregiving.

Minister Duncan responded that he is obligated to look at the issue of caregiving; the rising rates of dementia are precisely the problem in terms of rising health care costs. He agreed that we need to keep people at home and understands that to do this people need to be supported. The focus needs to be on leveraging existing programs and strategizing for long-term solutions. He asked that the Alzheimer Society of Ontario demonstrate the costs of caregiving and how any proposed interventions would curb spending.

Today, our presentation builds on Minister Duncan's recommendations to leverage existing programs and outline the costs of caregiving and on how our proposed interventions will curb future spending in Ontario.

Also, in the November 29, 2007, speech from the throne, this government made a commitment to provide caregiver grants to those caring for elderly family members. In 2010, we have yet to see this commitment fulfilled. This submission will demonstrate the increasing need for this and other supports for caregivers in Ontario.

The Alzheimer Society of Ontario, founded in 1983, supports a province-wide network of 39 chapters to:

—improve service and care;

—fund and advance research;

—educate the communities it serves; and

—create awareness and mobilize support for the disease.

Our society's vision is a world without Alzheimer's disease and related dementias. We are affiliated with the Alzheimer Society of Canada and with Alzheimer's Disease International. In spring 2011, the Alzheimer Society will proudly welcome people from 71 countries to the 26th Alzheimer's Disease International conference in Toronto.

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Alzheimer Society chapters provide a range of services, including group supports, counselling, information, public awareness and dementia-specific education for front-line health service providers, those diagnosed with the disease and their families and caregivers. Some chapters also provide day programs and longer-term respite care.

The Alzheimer Society of Ontario and the chapters work in partnership with health service providers, primary care practitioners, long-term-care facilities and clients. We have a long history of working together to improve access to services for clients, promote best practices in dementia care and raise the profile of dementia-related issues.

In Ontario, 26 Alzheimer Society chapters offer the First Link program, which provides recently diagnosed individuals and their caregivers with comprehensive and coordinated services by reaching out as early as possible in the disease process. First Link collaborates with the diagnosing primary care physician, other members of the primary care team, diagnostic and treatment services, community service providers and the Alzheimer Society.

In addition, the Alzheimer Society of Ontario is a leading member in the Ontario Caregiver Coalition. This coalition is dedicated to bringing issues related to family caregiving to the policy table.

Family caregivers care for spouses, children, parents and other extended family members in need of support

due to age, debilitating medical conditions, chronic injury, long-term illness or disability. Family caregivers are the foundation of Ontario's health care system, yet they are largely invisible. They are overlooked by health service providers and seldom acknowledged in public policy.

The focus of our presentation is on the following: prevalence and impact of dementia; critical needs for moving forward to better support people living with dementia and their caregivers and, at the same time, curbing the increasing health care spending in Ontario; and Ontario's leadership in championing national solutions.

Dementia is a large class of disorders characterized by the progressive deterioration of thinking ability and memory, including eventual loss of memory, judgment and reasoning, and changes in mood, behaviour and communication abilities. These symptoms may affect a person's ability to function at work, in social relationships or in activities of daily living.

Alzheimer's disease, the most common form of dementia, is a progressive, degenerative disease of the brain which causes thinking and memory to become seriously impaired. After Alzheimer's disease, vascular dementia is the second-leading cause of dementia.

More than 180,000 people in Ontario have dementia, and in less than 25 years, the number will double. Dementia is the leading cause of disability in Ontarians over 60, causing more years lived with disability than stroke, cardiovascular disease and all forms of cancer.

Most Ontarians with dementia today are supported outside of institutions, in their homes, with their families.

Studies have shown that caregivers are under considerable psychological, physical and financial stress, despite enjoying the inherent satisfaction of caring for their loved ones. Caregivers of people with dementia report stress levels three times greater than those caring for persons with other chronic diseases, and depression is nearly twice as common.

In 2008, informal caregivers of people with dementia in Canada provided 231 million hours of care. By 2038, that will increase to 756 million hours. In 2001, it was estimated that about three million Canadians were informal caregivers, delivering about $5 billion worth of service to Canada's economy and saving Canada's formal health system as much as $2 billion per year. Caregivers provide more than 80% of the care needed by individuals with long-term health conditions.

In Canada the economic burdens of dementia will double every decade, increasing from $15 billion in 2008 to $153 billion in 2038. In partnership with the Ontario government, we have the opportunity to curb this spending to ensure that investments are effective and multipurposed.

Today we will highlight two key areas of support needed by caregivers. The first is increased access to respite care and support of the First Link program. The second is financial support.

Respite services offer temporary relief from caregiving. They include in-home respite, where an alternate, usually paid, caregiver comes to the home for a few hours; secondly, adult day programs, where the person with dementia is taken to a community centre for a specified number of days in the week; and thirdly, overnight respite, which is usually in short-term beds of a long-term-care home or in purpose-built respite homes, of which there are only three in Ontario. These are owned and/or supported by local Alzheimer societies.

The Vice-Chair (Mrs. Laura Albanese): You have about two minutes left for the presentation.

Ms. Gale Carey: Thank you.

There are four key issues with respite in Ontario: Caregivers are unaware of available services or often act too late; there is an insufficient supply of respite, especially short-term; the services that are offered do not fit with family needs; and the cost of in-home respite is too high for already-strained caregivers.

I'm going to move to the next page, directly to financial support.

In a study of family caregiver needs, it was found that financial issues are a major concern for two major reasons: Caregivers who are in the workforce and choose to care for their relative give up salary, career and pension prospects for many years or retire early; additional expenses related to providing care for a person with dementia include fees for home care services, transportation costs for medical appointments, drug dispensing fees, technical aids and equipment, and home modifications.According to caregivers, the financial strains of caring for a person with dementia and providing adequate financial compensation for their work was critical.

Caregivers asked for caregiver compensation, such as caregiver tax credits, subsidies to pay for equipment, medications and other needed caregiving supplies, direct payment for care and accommodation/travel grants if they have to travel to receive care; affordable services regarding the cost of care, particularly services and programs; self-directed funding options; and caregiver job, pension and benefit protection, as well as adequate caregiving leave policies.

The last page is our summary of requests: that Ontario develop a comprehensive strategy for dementia and Alzheimer's disease; expand the First Link program in order to maximize to existing services; invest in financial supports for family caregivers; and provide leadership to the federal government on caregiver policy.

By continuing to leverage existing programs and committing to new investments for caregivers, we have the opportunity to curb increasing health care spending.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation. I will now turn to Mr. Barrett for questioning.

Mr. Toby Barrett: Thank you for presenting to the committee. On Thursday, this committee received a deputation, as well, from the North Bay Alzheimer's so-

ciety, speaking for a number of chapters in northern Ontario.

With respect to allocating resources, not only through the Alzheimer societies but through the health system and the health care system, I can see a bit of a tug of war perhaps between care versus cure versus disease prevention. I know in North Bay the testimony concluded with a call for more resources for prevention, as well as other things—case management and things like that.

Where are the resources going? I'm assuming mainly to care. That's where most of the dollars are going. Where should they be going, if we look at those three?

Ms. Gale Carey: Overall, funds that we're raising go to research, because currently there is no cure for Alzheimer's disease—we're hoping that there will be one day but currently there is not—and then in terms of programs and services. Funds are raised for both of those areas.

Mr. Toby Barrett: Certainly. I think in your report, as far as prevention, I was surprised—I didn't know obesity was linked to Alzheimer's and, of course, the suggestion is the merit of diet and physical activity to prevent or I suppose, at minimum, to delay the onset of Alzheimer's. Has research gone into that as well?

Ms. Gale Carey: Yes. Actually, there was a recently released report from the Heart and Stroke Foundation indicating an alignment between dementia and Alzheimer's, along with the same kinds of things that would cause heart problems, heartstroke or cardiovascular disease. The same types of things that would remedy cardiovascular disease in terms of physical activity, healthy eating, those kinds of things, we have found to be correlated with Alzheimer disease as well. In addition, with Alzheimer disease, of course, there has to be brain health—healthy brains—and ways to keep the brain active and so on.

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Mr. Toby Barrett: We know case management has value. I think you used the term "navigator." Is there a danger of this being seen as just another level or another job position? Would this proposal be for Alzheimer societies to hire case managers or would CCACs do this? I would think they would be doing this anyway—wouldn't they?—in their present role.

Ms. Gale Carey: The program that we mention, the First Link program, actually is one that is utilized by the 39 chapters across the province. The chapters that are utilizing the First Link program—we currently have 22 First Link coordinators across the province in the chapters. What we need for all of the chapters, all 39, to have support would be an additional 38 First Link coordinators—a total of 60. Currently, there is a cost of $3 million for those 22 coordinators.

For us to move to full capacity in terms of the First Link program, which is where we have the primary care physician who originally does the diagnosis—they recommend directly to the Alzheimer society in their local community. We'd like to see that happen in every community at full capacity, and that is the greatest intent of our presentation, to have the First Link program enhanced and then to have caregivers being provided with financial support so that caregivers can maintain their family members in the home as long as possible, and they can with the proper supports. But that entails some financial investment.

Mr. Toby Barrett: As far as disease prevention or health promotion, is the Ontario Ministry of Health Promotion involved in this at all with Alzheimer's?

Ms. Gale Carey: Yes. Our funding comes through the Ministry of Health, through the LHINs, to our chapters. Currently, about 57% of the funding is coming through the LHINs at this point, but we are not at full capacity across the province. But the ministry—

Mr. Toby Barrett: I was wondering about the Ministry of Health Promotion.

The Vice-Chair (Mrs. Laura Albanese): Sorry, but the time is almost up. A brief answer.

Ms. Jacquie Micallef: Okay. No.

Mr. Toby Barrett: No?

Ms. Jacquie Micallef: The brief answer is no, and that is a concern that we have, that we do have the focus on prevention. Currently, the Ministry of Health Promotion has priority areas, priority populations, and even seniors are not included in that. So that is an area where we've been trying to work with a group, but the short answer is, no, they're not.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that and for your presentation.

ONTARIO COMMUNITY SUPPORT ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We'll now ask the Ontario Community Support Association to come forward. Good afternoon. You will have 10 minutes for your presentation. That will be followed by up to five minutes of questioning. Could you please state your name before you begin your presentation?

Ms. Susan Thorning: My name is Susan Thorning. I'm the CEO of the Ontario Community Support Association. I'd like to thank you for the opportunity to appear before this committee today to provide the perspective of the not-for-profit home and community health sector on the 2010 provincial budget.

The members of the Ontario Community Support Association, a network of over 500 organizations, provide home care services through contracts with CCACs and LHIN-funded community support services to more than 750,000 Ontarians every year.

I want to begin by recognizing the challenging fiscal situation that the province and our government is in. As a not-for-profit charitable organization, it's a situation that we at OCSA are very aware of, and our members, also charities and not-for-profits, are keenly aware of the difficulty of making hard financial decisions which impact services that people receive. But in health care, the challenge of tough financial decisions is inseparable

from the demographic changes occurring in our community and province.

The population is aging, while, at the same time, we are living longer. Chronic diseases are becoming more prevalent, and smaller families are often scattered across the country, which makes caregiving more challenging. In addition, there are many people living with chronic conditions who are not seniors. Many families care for medically fragile children at home, and many people like you and I may require help to remain independent. Home and community support is not just about seniors; it's about care in the community.

People need care. They want to be in their own homes, not hospitals or institutions. Health outcomes and overall quality of life improve when comprehensive home and community support services are available to them. But the key to all of this is that a more cost-effective means of health delivery can be found when services are delivered in the community than when they are provided in institutions.

Investing in home and community care frees up hospital beds and unclogs emergency waiting rooms. There are also decreases in the length of long-term-care wait-lists, and less need and less demand for long-stay hospitalization. There is less demand for chronic care hospitals. All of these things come at lower costs to the health care system when care is provided in the community.

Our first recommendation to you is that the government of Ontario stay the course on funding support for home and community care, particularly the aging-at-home strategy. Maintaining and enhancing funding levels for home and community support services is consistent with consensus opinion that these services are an effective and affordable means of delivering health care. We urge you to maintain funding to the LHINs and support new funding initiatives to help people continue to live at home.

It is also our recommendation that strategic investments be considered in the 2010 Ontario budget. One such investment is to support the development of a strong information management infrastructure in the home and community support sector. This work was started with the implementation of the MIS in community support services.

The next step will be the implementation of a common assessment instrument. The selection process of the tool is under way and will be complete by March 31, 2010, and this is a year early. In last year's pre-budget submission, we requested this and we thank you very much for following through.

However, there have been few resources dedicated to information management in the home and community support sector in the past, and the implementation of a common assessment tool must recognize this. The data that the tool generates will be extremely valuable for decision-making at the service delivery level but also for funding and policy development purposes.

We encourage you to invest sufficient resources so that the community support providers can implement the common assessment instrument and begin building on a robust and comprehensive information management infrastructure that can integrate the well-developed systems that are already in place in other parts of the health continuum.

Home and community support is a complex system, and we interface with all other parts of health care—with primary care, CCACs, hospitals, mental health, emergency departments and even seniors' centres—so implementation will require resources to allow all of those connections to be made.

Our health care resources have continued to flow to more expensive and well-developed parts because hospital-based services have had systems in place and data to demonstrate their value. We need systems as robust as these in the community to truly understand how our health care system works and how to appropriately allocate resources.

Another concern is the shortage of home and community health workers in all areas of the province. One of the reasons for the difficulty in recruiting and retaining workers is the disparity in compensation and working conditions between the community health sector and institutional health sector. We urge the government to look at this disparity, including the absence of a pension plan for workers in the community sector, which is a tremendous barrier to the mobility of workers moving across from one part of the system to another.

We also need data on what the workforce looks like. HealthForceOntario recently has funded OCSA to get some of this data about the community support side, but because of the contracted service delivery model in home care, we have no knowledge of the workforce demographic of home care workers, though we do have good knowledge of the CCAC human resources.

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Personal support workers are extremely important to our sector. These workers provide 70% to 80% of the care in the community. There has been concern recently for the quality of the training provided to these workers. Public confidence and the confidence of employers have been undermined by media reports of abuse situations and inadequate training. We urge you to provide resources for the monitoring of the training organizations to ensure quality training, and we ask that you resource the development of a worker registry to track training and employment of personal support workers. We'd also like a campaign which would help people understand how wonderful PSWs are, because we know they are very special people providing very special care. There aren't very many bad apples, but unfortunately those bad apples make far better press and they get way too much attention. A registry and tracking the training institutions would assist employers and it would also help restore public confidence.

The creation of the harmonized sales tax will provide the home and community support sector with challenges.

While we recognize that steps have been taken to ensure the impact on charities will be fiscally neutral, we ask that you monitor the situation as the HST is implemented to identify and address any unanticipated consequences.

The Acting Chair (Mr. Kevin Daniel Flynn): Susan, just so you know, you've got two minutes. I didn't want to interrupt.

Ms. Susan Thorning: Yes, thanks.

We also ask that home and community support agencies, regardless of their registration status with the GST, be provided with transition funding. Community providers will have additional costs as they make changes to their processes and accounting systems. In fact, the new HST may have a more complicated reporting requirement.

In closing, we encourage MPPs to think strategically. Investing in home and community services now will save the government money in the near future and will improve the health of Ontarians. Your committee has heard from OCSA members in different parts of the province, all taking similar positions but representing key components of the future of delivery of health care. Over 750,000 Ontarians of all ages and their caregivers depend on organizations such as these, and many more Ontarians will in the future. We must ensure the stability of the home and community care sector so that it will be viable and vibrant for all Ontarians who may need access to it.

Thank you for your attention, and I'd be pleased to answer any questions you might have.

The Acting Chair (Mr. Kevin Daniel Flynn): Great. Thank you very much, Susan. The questions this time around go to Michael.

Mr. Michael Prue: A few questions, first of all, about PSWs. Right now there's no training regimen that I'm aware of. There's no diploma or course other than those which are offered by—and I use the term advisedly—fly-by-night operations.

Ms. Susan Thorning: Training for PSWs is done by four different types of organizations: community colleges—

Mr. Michael Prue: That I wasn't aware of.

Ms. Susan Thorning: —boards of education, private vocational schools, and not-for-profit organizations, and there are training standards. The Ministry of Health asked OCSA about 15 years ago to work to develop standards for the PSW, and at that time it brought together the health care aide who worked in long-term care and homemakers who worked in the community to bring those two jobs together with a single training forum that would make a portable worker.

There's nobody watching to see if anybody is following those training standards, and that's what we are asking for resources to do. We need to keep track of who's teaching and what they are teaching and make sure that it's what our health system needs.

Mr. Michael Prue: I'm referring back to the Toronto Star, which on September 17, 2009, quoted a woman who said, "I am a certified personal support worker, and you have no idea how grossly unqualified I am." Now, she went through one of these private colleges—

Ms. Susan Thorning: She very well may have, and this is why a two-pronged approach would be really effective. We need to keep track of who's teaching what. We need more PSWs. In fact, we're probably losing more PSWs every year than we are gaining, so we don't want to reduce the number of organizations training; we just want to make sure that they are training up to the PSW standard that was recognized by the Ministry of Health.

Mr. Michael Prue: In the community colleges, how long is the course to be a PSW?

Ms. Susan Thorning: The course is about a year. It's quite a bit longer than the standard. The community colleges have their own standard that they have developed; they have a one-year program which has rules that are in place because of the community college requirements.

Mr. Michael Prue: Should that be the standard? It seems to me logical that if you're going to have somebody go into a frail elderly person's home and do what is necessary, they should have training commensurate with that. I would think a one-year course is pretty much the minimum.

Ms. Susan Thorning: The community college program includes quite a number of hours of study that aren't directly related to their job. They have added general education requirements. Their standard is actually not as robust as the Ministry of Health approved standard.

We can send you an analysis of the standards, and we'll do that. We'll send it to the whole committee, if you like.

Mr. Michael Prue: Okay.

The Acting Chair (Mr. Kevin Daniel Flynn): You're down to a minute, Michael.

Mr. Michael Prue: Okay. In terms of the costs—and I think we all understand that the costs in hospitals can be exorbitant, and if you can keep people in their homes, you can undercut that by a great deal—we've seen examples of savings of 4 to 1 or 5 to 1 in keeping people in their homes. Would you tell us in the 45 seconds that are left how much money this is likely to save the government if they agree with what you're asking?

Ms. Susan Thorning: I'm not an accountant; I have no idea. I can't give you an exact number. I think we don't know because we don't have the systems yet in place to know what services people need. The greatest cost savings will come when we can target the services to people's needs. The work around the common assessment instrument will be very helpful with that. It will also rationalize the service provided by community supports, by CCACs and by other parts of the system. We're making good steps.

Mr. Michael Prue: Thank you.

The Acting Chair (Mr. Kevin Daniel Flynn): Thank you, Susan, for your attendance today.

CARP

The Acting Chair (Mr. Kevin Daniel Flynn): Our next presenter this afternoon is Susan Eng, VP of advocacy for the Canadian Association of Retired Persons, if you'd like to make yourself comfortable, accompanied by someone who is no stranger to these walls.

Ms. Susan Eng: Yes. I thought maybe it would be better if she gave the presentation.

The Acting Chair (Mr. Kevin Daniel Flynn): She's famous.

Ms. Susan Eng: It would be a much more receptive audience, I suspect.

The Acting Chair (Mr. Kevin Daniel Flynn): It's all yours. You have 10 minutes, which will be followed by five minutes of questions from the government side.

Ms. Susan Eng: Thank you very much for having us.

First of all, who we are: CARP is a national, non-partisan, non-profit organization which is committed to advocating for Canadians as we all age. We have about 350,000 members across the country, of whom about 200,000 live here in Ontario. We have 34 chapters across the country and now 21 chapters here in Ontario. We focus on Canadians 45 years of age and older, who number about 14.5 million, of whom 5.6 million live here in Ontario. That's about 42% of the entire population of both Ontario and Canada.

Seniors represent an increasingly larger proportion of the population. Some 4.6 million Canadians are over the age of 65, and 1.8 million of them live here in Ontario. In fact, 39% of all Canadian seniors live here in Ontario. By 2030, Ontario's population aged 65 and older will almost double to 3.7 million, and seniors will account for about 21% or 22% of the Ontario population, almost twice their proportion now.

This is also the demographic that is most politically engaged and votes most regularly. Some 70% of them vote regularly.

The challenge for us right now is to deal with what the economic crisis has put in front of us. It has focused attention on the proper role of government to deal with the economy, and so we have seen a rash of corporate bailouts and stimulus spending, which are all aimed at pulling the economy out of its nosedive, but very little is any kind of adequate measure to provide a soft landing for those people who are most affected and who are least able to change their circumstances.

The health care budget, I know, is going to become a particular concern, not only because it represents over 40% of most provincial budgets, including here in Ontario, but also because the federal funding of health transfers is soon to expire. So the challenge before us is what to do about that, what kind of structural changes are necessary.

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The important point there is to remind ourselves that we have to get past the myth that it is on account of an aging population that our health budget is actually burgeoning. In fact, any number of health policy analysts and even the Health Council of Canada have attempted to put that myth to bed by pointing out the evidence that, in fact, our health care budget is increasing because of increasing prices and uptake rather than the fact that people are aging.

The challenge here is to find structural changes to our budgetary planning so that we can actually address the burgeoning demands but at the same time try to do things differently. If we continue to do things exactly as we have been, of necessity the budget will continue to increase. The choices that are in front of us today are to find ways for people to look after their own retirement, for example, to provide opportunities for people to stay at home while they age and deal with medical challenges so as to divert demand from the formal health care system. These are options that are in front of us, and as we are facing an economic crisis, indeed, and a budgetary crisis, we have to look at these options rather than simply tinkering around the edges.

In sum, our recommendations focus on two of our major advocacy pillars: financial security and health and well-being. The first focus is in regard to financial security. We have three points there to make. First, there is the need to reduce poverty among seniors here in Ontario, the need to provide some kind of redress for the disproportionate impact of the HST and to institute immediate pension reform to allow people to better save for their own retirement. Under the health area, we are focusing on support for family caregiving. I'm pleased to note that from your previous deputant, you will have been focused upon the need for caregiving, the economic and health impacts, and the important service to the public good that family caregiving can present.

Going into specific detail, on poverty reduction, one of our concerns is whether or not we realize how big the problem really is. According to measures like LICO, there might be 90,000 people who are living under LICO here in Ontario over the age of 65. That might seem a small number, but these are people who are living on under $12,000 in smaller communities and under $18,000 in even the largest communities like metropolitan Toronto. A more accurate measure of the number of seniors living on just OAS and GIS and a little bit of CPP might be the figures that indicate the people who are living on these public pensions. When you look at those numbers, they are much more dramatic. Here in Ontario alone, some 896,000 Ontario seniors receive GIS. That means that it's already been determined that they need support, as against whatever they might have from CPP or OAS.

If we look at that kind of massive number of people who are living at the edge, we also have to consider that many of these people are one major expense, accident or unfortunate circumstance away from moving under the poverty level. The need to address poverty in Ontario is great. What we recommend in that regard, of course, is to increase your own supplementary systems, GAINS, and to work with other levels of government to increase OAS and GIS, which, by the way, was just announced to have

absolutely zero increase for 2010. These are important elements of the government role in preventing poverty in old age. When we come to talk about pension reform, it is important that specific measures are taken in respect to the low-wage sector.

I think you've heard a great deal about the HST and its differential impact on various people. Our particular focus is on the impact for older Ontarians, people on fixed incomes who can ill bear any further increase to necessary services. In this area, we focus on home energy costs. They are unable to avoid spending on that, and we have estimated that this will have a very serious impact on their living standards if they are obliged to pay the additional costs.

Other provinces have already acknowledged this. When the harmonization took place in Nova Scotia and Newfoundland and Labrador, those provinces sought and decided to provide rebates or tax grants that mitigate the impact of their harmonization, which has the net effect of adding a new provincial sales tax burden to certain costs. In British Columbia, attendant with its announcement that it will follow suit with harmonization, they have announced that they plan to provide a tax credit for low-income seniors as well as a home energy rebate. The precedent is already there, and CARP would be recommending that you follow suit.

In pension reform, you have also heard us speak frequently about the need to help people save for their own retirement, as well as about changes in the current pension regulatory system to rebalance the interests of employers and employees.

The Vice-Chair (Mrs. Laura Albanese): You have about a minute and half left.

Ms. Susan Eng: Our Premier has already indicated a need to engage the debate immediately with a pension summit. I encourage the government to press further and adopt and support the need for a supplementary retirement savings vehicle.

In the area of health and well-being, our focus is on support for family caregivers. You've heard other people before me who have told you how many people are involved. Our numbers show that there are 1.3 million caregivers here in Ontario providing an important service. For those people who improve the health outcomes for people who are given this care in their homes, we are asking that there be some kind of financial assistance, some kind of workplace protection so that their jobs are waiting for them when they get back, and integration with the formal health care system that provides both training and respite care.

Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I will now turn it over to Mr. Sousa for questions.

Mr. Charles Sousa: Ms. Eng, it's nice to see you again. I appreciate once again your submission and your concern for seniors. It is a shared concern for all of us. Pretty soon—some of us are there already.

I appreciate two issues that are coming to the forefront. One is pension reform, which we agree is something that needs to be dealt with, and we are taking measures to do that. As you know, we already came out with phase one of that reform, but we do need a national strategy.

The other one is health reform: in essence, dealing with the caregivers. That too is going to impact our costs. Notwithstanding what you mentioned, the increase in costs is not just relative to age; it's relative to increased prices. But we know and recognize that, as we get older, there is going to be more demand and more need for those services.

You talked about our tax reform. You have acknowledged our tax cuts, and I'm going to refer it to my colleague in a moment to go over some of those tax cuts and grants that are being used to mitigate the effects of the HST.

As we put these health costs in perspective, do you not agree that we need more revenue going forward?

Ms. Susan Eng: There is always a need for more revenue. There's no question about that. We just know that there's a finite amount of revenue that the taxpayers will bear.

Obviously, we would focus on re-prioritizing the money that you already have in play towards the kind of priorities that we have articulated. The importance there, of course, is that we think about being much more efficient with the money that we do have. We have actually surveyed our members in this regard, and none of them support putting more money in the health care system. They do, however, talk about restructuring the budget and refocusing on priorities, doing things in a smarter way. Part of the health care reform of the last, I guess, almost 10 years now has been to do exactly that: restructure how we spend our money.

There isn't any kind of appetite from our members, and certainly not from me, for there to be more money put into the system. However, we do believe that the money that is there—41% of what is a significant budget here in Ontario—is more than enough to address our needs, but they need to be re-prioritized.

The Vice-Chair (Mrs. Laura Albanese): Mr. Delaney.

Mr. Bob Delaney: You talked a little bit about HST credits. I'm wondering whether or not you've told your members that their personal taxes are down by about one sixth, effective immediately, and that if they earn $39,170 per year or less, they are no longer subject to tax.

Looking at this year, where your seniors' property tax credit is doubled—in other words, it pays the taxes on $3,125 of, let's say, home-related expenses that had not been hitherto taxed—and that a senior couple would qualify for a permanent sales tax credit of $260 each, which pays the taxes on some $6,500 worth of items not hitherto taxed—which, added to the transitional grants during the first year, when some 80% of the cost savings of harmonization are passed through, gives seniors some

$22,125 per couple of paid taxes on items not hitherto taxed.

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With regard to your suggestion on an energy tax credit, which is already there—it's the doubling of the seniors' property tax credit—what exactly did you have in mind?

Ms. Susan Eng: Just to be clear, we have seen those numbers, and the numbers from the Ministry of Finance have indicated very clearly that the tax credits, all in, add up to a net inadequate mitigation of the full amount of the impact on all seniors. They are absolutely relying on the pass-through of savings from business. The problem with that analysis is that the hope that business will pass through the savings, which may occur, is something that our members in particular do not see as believable. Consequently, they see in the government's own numbers that there is a net deficit. There will be an additional tax burden, which is not relieved by any of the credits that you have added up.

We have made a point of giving our members exactly all of the details. After getting all of the details, they are still of the opinion that there is a need to do better than what has been offered. Of course, the people who are in the lower income brackets and who have fixed income are the ones who have no way out of this additional burden. They will still have to pay for heating. That is why we are recommending that there be a credit targeted to low income and targeted to those kinds of essential services that cannot be avoided.

Mr. Bob Delaney: Okay, some—

The Vice-Chair (Mrs. Laura Albanese): Thank you. I'm sorry, but the time has expired.

Mr. Bob Delaney: Okay. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this afternoon.

25 IN 5 NETWORK FOR POVERTY REDUCTION

The Vice-Chair (Mrs. Laura Albanese): I will now call the 25 in 5 Network for Poverty Reduction to come forward. Good afternoon. You will have 10 minutes for your presentation, which will be followed by up to five minutes of questioning. This round will go to the official opposition. If you could kindly state your name for the purposes of our recording Hansard before we start.

Ms. Jacquie Maund: Good afternoon. My name is Jacquie Maund. I work with Campaign 2000 and I'm here today on behalf of the 25 in 5 Network for Poverty Reduction. We're a province-wide network of over 1,500 individuals and organizations who are committed to eliminating poverty in Ontario.

In October 2008, Canada was plunged into one of the sharpest recessions since the Great Depression. That same month, an Environics poll showed that 81% of Ontarians believe it is more important during recessions for their governments to make helping the poor a priority, and 89% of Ontarians said that they would be proud if their Premier took the lead in poverty reduction.

A few months later, in December 2008, the Ontario government took that leadership and committed to reduce child and family poverty by 25% by 2013. We're calling on the Ontario government today to continue taking leadership in these tough economic times. We're here to urge the standing committee and members of this committee to ensure that bolder leadership is taken now to prevent falling short of that target of cutting child poverty by 25%.

The world looks very different today in 2010 than when the government made this poverty reduction commitment in 2008. Ontario has been hit harder than most provinces by the global recession, and hundreds of thousands of contributing members of our province have lost their jobs. The majority of those people don't have EI to fall back on.

The World Bank has already warned that the global economic recovery could wilt if governments pull back on their stimulus efforts too quickly.

If we look back at the 1990s, we see some of the actions that were taken to deal with the recession, with the downturn, and those were to slash public spending, to declare war on the province's poor and vulnerable, and to sell off crown assets.

So what are some of the lessons that we can learn from the way that the government dealt with recession in the early 1990s? The war on Ontario's poor then left lasting scars, with no real solution to sustained poverty. We learned that when you cut and run as government, you prolong the pain of recession and weaken an economic recovery. But when you invest in people and communities, the economy recovers faster, and our communities remain safer and healthier.

So what we would like to do today is to recommend seven priorities for action in the upcoming budget that will not only help to meet the commitment to reduce child and family poverty by 25% by 2013, but will also guide Ontario through to a stronger and healthier economic recovery.

Specifically, we're calling on the standing committee to recommend that the Ontario child benefit be increased to $125 a month, to protect families and their children during the economic downturn. That's a maximum of $125 per month, per child.

We're calling on you to address problems in the social assistance system by introducing a $100 monthly healthy food supplement to help adults on social assistance buy healthy food.

We're calling on you to provide funding to fix counterproductive social assistance rules. We list a number of them in our submission. For example, we're calling on you to increase asset levels so that people don't have to strip all of their assets, get rid of all of their assets, in order to be eligible for social assistance.

We're calling on the committee to advise the finance minister to make a down payment of $250 million on the

10-year provincial affordable housing strategy that is due to be released later this year.

We're calling on you to invest in child care, to invest at least $64 million to save 7,600 subsidized child care spaces that are relied upon by low-income families in order to be able to get training or take work. We're looking for at least $64 million to maintain those subsidized child care spaces.

We're looking to you to poverty-proof the minimum wage by continuing to raise it, raise it to $11 by 2011 and index it permanently to inflation.

As part of a step to address the problems of precarious work and temp work, we're calling on you to recommend the hiring of new employment standards officers and improving Employment Standards Act compliance through an additional $5-million investment.

As one of many steps needed to address the racialization of poverty, we're calling on the government to establish an equity and anti-racism directorate which would ensure that employment equity is implemented across all ministries as well as the broader public sector.

We want to emphasize that investing in poverty reduction benefits everyone and needs to be an integral part of Ontario's economic recovery plan. We know that when dollars flow through to low-income people, they spend them. They have to spend most of their income in order to survive, and they spend that money locally. Every dollar that's provided through the Ontario child benefit and through new HST tax credits ends up with local retailers and local grocery stores, helping to prevent a longer and deeper recession and to get Ontario back into the recovery mode faster.

We also know that policies to tackle poverty lay the foundation for a stronger, better-equipped workforce where all hands are on deck, ready to take on the challenges of a 21st-century global economy here in our province.

Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission this afternoon. I will now turn it to Mr. Barrett.

Mr. Toby Barrett: Thank you for presenting. We've had a number of presentations from various poverty groups in Kingston, Ottawa, and London, and some of them may be part of your umbrella organization; I'm not sure.

I appreciate the fact you've set out priorities for the upcoming budget. You made mention of a $100 monthly healthy food supplement, and this was presented one or two times to this committee, as well.

In your deliberations in coming up with that approach, I wondered—certainly in the United States, they've had a food stamp program for many, many years—do you have any information on that program and how that has worked out? I think it goes state by state, as far as the level of involvement.

Ms. Jacquie Maund: What we're calling for is basically an increase to social assistance rates by $100 a month. What our research has shown is that as a single person, for example, you can't survive on $570 a month, which is what you get as a single person on social assistance. We know that people who are on low income, of course, have poor health, so what we're looking for is an increase in social assistance rates by $100 a month, and that money could be used to buy healthy food.

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Mr. Toby Barrett: But it's not tied to food, then?

Ms. Jacquie Maund: Not necessarily, no. It's an increase, and we're calling it a healthy food supplement because, clearly, if people can afford to eat properly, it will improve their health. It will improve their ability to get training and to seek the work that they may be able to take on.

Mr. Toby Barrett: Sure. Any progress on this social assistance review? Have they had any consultation?

Ms. Jacquie Maund: As we understand it, the social assistance review advisory committee is now looking at recommendations. They're focusing on rules that may be changed in the upcoming budget, so we outline seven potential rules here that we think should be focused on—for example, the requirement that, again, if you're a single person, you must have only $570 maximum in the bank in order to be eligible for social assistance. That really traps people, because if you have no money in the bank and you're able to actually get a job, how can you afford to buy a decent set of clothes, to invest in transportation or the kinds of the needs that you might have to take on a job?

So we're looking for an increase in those allowable assets to $5,000 for a single person and to $10,000 for a family.

Mr. Toby Barrett: You talk about asset stripping. I hadn't heard it described that way before. I agree in general, and we've heard this from a number of groups. People on ODSP, for example, are not allowed to have beyond a certain level of money in the bank or perhaps build up some GICs.

Now, is this the reason for that, the history? Is this a way of trying to get around fraud rather than attacking the fraudsters directly? Why would they have a system like that?

Ms. Jacquie Maund: You'd have to ask the people who designed social assistance in Ontario, but I think it's basically a way to penalize people, to make sure that you absolutely have to get rid of everything in order to be eligible for public support. But what we're saying is that that is counterproductive, because if you're not able to save any money at all while you're on social assistance, you have no cushion; you have no recourse to fall back on if you're able to get a job, if you're able to get training. It traps people in poverty—literally.

So when we have people who are running out of EI—and only 30% of unemployed people in Ontario now actually are eligible for EI—and people who are not able to get EI, they're living off their savings. They're selling any assets they have. If they're that poor that they fall on social assistance, they have absolutely nothing left to rely on. We're calling for a change in those asset rules, which

is, indeed, what other provinces, like Newfoundland, which has a poverty reduction strategy in place, have done. They have made this kind of change. We're looking for Ontario to do the same.

Mr. Toby Barrett: I see the rest of your recommendations—just on number 2—primarily as bureaucratic red tape: the documentation that's required; family or friends are apparently not allowed to assist with dinners or groceries. I find that hard to believe. Does this have to be documented, if someone takes you out for dinner or helps you with groceries?

Ms. Jacquie Maund: We know of cases where case workers have discovered that people are receiving small gifts or donations, and those funds have been deducted from a person's social assistance cheques.

Mr. Toby Barrett: So the local administrators are mandated to do that? They don't have the discretion to take a pass on some of this stuff?

Ms. Jacquie Maund: I think in some jurisdictions they can. As long as they know of the information, they can make a decision to absent that, but in other cases, people have experienced clawbacks off their cheques, yes.

Mr. Toby Barrett: Okay, thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

ONTARIO HEALTH COALITION

The Vice-Chair (Mrs. Laura Albanese): I will now call on the Ontario Health Coalition. Good afternoon. You will have 10 minutes for your presentation, and that will be followed by up to five minutes of questioning. If you could please identify yourself for the purposes of our recording Hansard, you may begin.

Ms. Natalie Mehra: Thank you. My name is Natalie Mehra. I'm the director of the Ontario Health Coalition.

We wanted to highlight three key issues in our budget submission this year: one which is a cost item about spending on hospitals and the costs of hospital cuts, and two that are actually about finding savings through another look at infrastructure investments and introducing accountability in the long-term-care homes sector.

In terms of hospitals, I actually came here from a meeting in Ottawa where a patient advocate said, "What does medicare have in common with a hospital gown?" She said, "You only think you're covered."

In terms of hospital cuts in Ontario, increasingly—

Mr. Michael Prue: It took me a second.

Ms. Natalie Mehra: I figure it's been a long day for all of you.

Increasingly, we're finding that the restructuring that is happening now is at a depth that is resulting in services actually being offloaded from hospitals and not replaced anywhere in the community, so that the scope of publicly covered services under medicare is in fact, in measurable ways, shrinking in Ontario. This, despite the fact there is not a case to be made for hospital funding being unsustainable.

I'll direct your attention to page 3 of our brief where you'll see a chart which shows hospital spending as a proportion of health care spending over the last 30 years. You can see that over the last 30 years, hospital spending as a proportion of health care spending has shrunk from 52% to 37% of our health care dollars. On a per capita basis or on a per person basis, similarly, hospital spending as a proportion of health care spending has been shrinking, not growing. If you look at total government health care spending in Ontario as a proportion of GDP or as a proportion of economic output, from 1990 to the most recent years measured, around 2006 or 2007, it really has been running in a fairly narrow range, in the high 5%—5.8% or 5.9% to 6.5% or so of GDP.

Taken all together, this data, which is government data, does not present a case for either major cuts to hospitals, to needed community hospital services, nor does it make a case for rhetoric that hospital spending is out of control or would eat up the budget or is somehow unsustainable. In fact, hospital spending, as a proportion of health care spending and as a proportion of the provincial budget, is shrinking. In fact, hospital cuts, when they simply result in new user fees for patients, are a false economy, as Roy Romanow famously said in the Romanow commission. The people of Ontario actually don't see savings from those cuts.

I heard on the radio this morning travelling in that the Ontario Hospital Association has characterized the cuts across Ontario in hospitals as moderate. I would respectfully take issue with that characterization. If you were to ask the people of Guelph, for instance, who have lost their pain clinic, whether that was a moderate cut now that they have to travel into Toronto to access pain management, I think they would disagree; or those in Hamilton who've lost their fertility clinic; or those who've lost birthing services in their communities in Niagara Falls, Welland, Haliburton, Dunnville and many others; or the women who've lost local access to mammography; the in-patient beds that have entirely been closed in Wallaceburg or Burk's Falls, forcing patients to travel down the highway to the next town to access in-patient beds; emergency department closures in Port Colborne and Fort Erie; the urgent care centre closure in Burk's Falls; the operating room closure in Cornwall; the neonatal ICU closure in Windsor; the IV therapy cutbacks in London; the physio cutbacks all across Ontario, including, recently, Kincardine, Strathroy and Deep River; the laboratory closures all across the province in public hospitals; and then the additional reduction of hours in the private laboratories that have replaced them in communities.

For two successive years, hospital funding in Ontario has not kept pace with inflation, and this has resulted in up to 80% of hospitals facing deficits. The consequences of the types of cuts hospitals have engaged in in order to eliminate their budget deficits have included new user fees for patients and their families. I've travelled almost incessantly for about 10 years, and I'll tell you, hospitals have the most expensive parking of anywhere in town in

every community that you go to. Hospitals have gone to extraordinary lengths to force patients to pay for parking in their hospitals, including working with municipalities to close down all the parking meters along the streets close to or adjacent to the hospitals and buying up nearby parking lots, such as in Strathroy—the church parking lot across the road—and erecting walls so that people cannot park for free in those lots and cross the street to the hospitals.

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I recently went to Lakeridge Health for about two and a half hours for a family member's day surgery. The parking fee was $16 to visit the hospital. There's nowhere else to park.

As you're requiring patients to travel, those fees amount to user fees for seeing doctors. There's no question, there is no alternative for patients except to park at these extraordinarily expensive parking lots.

That is not the only expensive user fee. All of the patient user fees have gone up in recent years, and if you add them up together they comprise a significant user fee for hospital services.

In addition to those types of user fees, there are new user fees as physiotherapy, chiropody, speech pathology and other services are cut from local hospitals. The measure for LHINs is not whether or not the services are accessible somewhere in the community, but whether they are available somewhere in the community. That means that if the only place to get physio is a private clinic where you have to pay $70 to $100 for the visit, that is deemed "available" and the service can be cut in your local hospital. Also:

—high, sometimes dangerous levels of hospital occupancy;

—long ER wait times;

—cancelled surgeries;

—downloading of heavy care patients, in the most egregious examples into retirement homes which are fully for-profit and private. They are not even accredited. They are not under any health care legislation in Ontario. They're treated as a tenement, as an apartment building. Hospital patients are being moved into them. It's a liability issue that is serious;

—unnecessary hospital readmissions;

—requirements for patients to travel increasingly long distances for care, increasing the risk for patients travelling for services like ERs or birthing;

—new municipal costs for ambulance services;

—loss of access to vital services;

—privatization of formerly public and non-profit services, something this government ran two elections against;

—loss of services as privatized labs cut their hours;

—increased risks of poorer outcomes for patients;

—cuts to vital patient support programs such as social workers and patient advocates; and

—increased workloads.

The Vice-Chair (Mrs. Laura Albanese): You have about two minutes left.

Ms. Natalie Mehra: Thank you.

I'll stick with hospitals. Just as an example of a couple of increased user fees, as hospitals cut services, there's physiotherapy. When outpatient physiotherapy is cut, as it has been now almost all across Ontario, the new user fees for patients are $75 to $100 for the first assessment and $50 to $70 per visit. Similar fees are charged for foot care for people with diabetes. As local community hospitals and services are closed, ambulance fees ranging from $50 to $100 are charged to patients now taking ambulances to ever-more-distant towns. For example, a woman in Burk's Falls told us just a few weeks ago that she had to pay $68 in the last month, each way, to take a taxi to Huntsville after her local hospital closed and she needed to seek care there. There is no public transportation system between these towns where hospitals are being closed and care is being shifted. And I gave you the parking example.

Our concern is not only that the restructuring of hospitals is causing new costs for patients, but the restructuring itself is causing new costs for government. Under the Harris government restructuring, the Provincial Auditor found that the restructuring commission's estimated costs would be $2.1 billion to close down hospital beds, lay off staff and move services around. In the end, it actually cost $3.9 billion just for restructuring, much of which has had to be reversed.

If you look at the case in Niagara, you can see the same scenario playing out. Two hospitals closed. The new costs for ambulance services in the Niagara Peninsula are $3 million, more than was expected to be saved from the closure of the emergency departments in those two hospitals. In addition, there are renovation charges and a host of additional restructuring costs.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Ms. Natalie Mehra: It's unclear whether that move saved any money at all. Most likely it cost more than it saved.

Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that. I will now turn it over to Mr. Prue.

Mr. Michael Prue: Thank you very much. You gave us a lot to think about.

A whole bunch of really short, I hope, questions and answers. Hospitals and boomers: We expect that there's going to be a whole lot more people using the hospitals out of necessity in the next 20 years. Have we adequately planned? Cutting back now: Does that make any sense?

Ms. Natalie Mehra: No. One of the most significant problems we see is that retirees have located in towns in part to be near a hospital, and then those hospitals come under threat: beds, wards, whole floors are closed. Emergency.departments are closed. So people have no certainty when they're locating for their retirement years that the health care that they expect is going to be anywhere near them. So (1) there's a geographic problem with that, and (2) there's a lost capacity.

As you close down services, those who are nearing retirement tend to retire, and so you lose all of that

mentorship, all of those health professionals, and you end up in a vicious cycle. If you lose an emergency department, for example, in a community, it's very hard to attract physicians, because they want to practice to their full scope. Rural physicians are generalists, and without a hospital they can't do that. So you end up not having primary care either, in addition to having lost the hospital services.

Mr. Michael Prue: We've had a lot of people come forward with home care saying that they can save money, and not spend it on the hospital, by keeping people in their homes longer, looking after them in their homes as opposed to a more expensive hospital. Is that an answer?

Ms. Natalie Mehra: Well, there are two answers to that. One is that there are significant cuts to home care that are happening right now. Just at the same time as physio and other therapies are being cut in hospitals, they're also being cut in the same health regions in home care. So the therapies, specifically, are seeing major cuts in home care. They maybe could be provided at home if there was actually the funding for that, but there is not.

In terms of other patients, such as ALC patients, the number that could be moved to home care would be the smallest. Most likely, most of those patients either require complex continuing care beds in a hospital or they require long-term-care beds. Their care levels are quite high, they're quite complex and would require significant care.

Mr. Michael Prue: I've read in the paper over the last couple of weeks that the hospitals have been told to prepare for either zero, 1% or 2%, and that as a result of that, hospitals across the board are starting to cut services. In my own community, Toronto East General Hospital announced the closure of its physiotherapy, and I know others have announced other similar closings. Are the hospitals sustainable at either zero, 1% or 2%, or do we anticipate a whole downturn?

Ms. Natalie Mehra: We've had two years now of hospital funding that's less than the rate of hospital inflation, and what that means is that as that funding gap grows, hospitals have no choice but to cut services. So yes, there will be continued cuts, and ever-deeper cuts, as the gap between hospital funding and inflation continues.

Mr. Michael Prue: Which brings me to parking: What a horrible thing that is. When I go to Toronto East General Hospital I can find parking on the street, because they still have the meters, but if I go up to visit someone at Sunnybrook, which is also in my community, it costs $16 or $18 to park there to go in for an hour visit. Is there anything that the government of Ontario can do? Or have they simply washed their hands and turned it over to the LHINs?

Ms. Natalie Mehra: Actually, the government of Ontario directed the hospitals to do that. In their seven-stage cut/revenue-increasing process over the last several years, the first stage is to increase user fees for patients, increase your revenues through things like parking fees and other user fees for patients.

Mr. Michael Prue: Because at a place like Sunnybrook, which is right in Toronto—and there's land all around it—they could build other parking lots, but they don't. They do this in order to increase the revenue and, quite frankly, with all deference to them, to gouge people going in because there's no other alternative. Should the government be setting a limit on the amount that they can charge for parking, as one example?

Ms. Natalie Mehra: The policy document from the government says that the parking rates should be at market levels, but in every community that I've been to, they're the highest rates in town. Enforcement of market levels would probably be fine. In many towns, you don't pay for parking anywhere except at the local hospital.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Mr. Michael Prue: That's it? Okay, thank you.

The Vice-Chair (Mrs. Laura Albanese): Ten seconds left.

Mr. Michael Prue: I got a lot in.

The Vice-Chair (Mrs. Laura Albanese): I know, you did. Thank you.

ONTARIO HOME BUILDERS' ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We'll call now on the Ontario Home Builders' Association. Good afternoon. You'll have 10 minutes for your presentation, and that will be followed by up to five minutes of questioning, which in this rotation will go to the government side. If you could please state your name before you begin.

Mr. James Bazely: Good afternoon, members of the committee. My name is James Bazely, and I'm the president of the Ontario Home Builders' Association. I'm the past president of the Greater Barrie Home Builders' Association and am president of Gregor Homes, based in Barrie, Ontario. We specialize in green building, green renovations and accessible housing across Simcoe County.

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Joining me is Bob Finnigan, who is the first vice-president of the OHBA. He is a past president of the Building, Industry and Land Development Association, BILD, and is also the COO of housing for Heathwood Homes, where he oversees a diverse group of communities across the GTA.

The Ontario Home Builders' Association is the voice of the residential construction industry in the province. Our association includes 4,000 member companies involved in all aspects of the $37-billion industry, and we are organized into 29 local associations across the province.

Our industry has been through a very difficult year since the bottom fell out of the housing market in late 2008. Sales activity has since begun to pick up over the past few months, especially in the GTA, but we are concerned that there are still pockets of weakness in other communities, such as my own in Barrie. In a recent sur-

vey of our membership, over 80% suggested that 2010 would be the same or better than 2009, so there's certainly some optimism and positive momentum for our industry going forward.

Now I'm going to turn it over to Bob.

Mr. Bob Finnigan: As James noted, we're in a situation where confidence in the housing market is leading to the recovery of sales, especially in the GTA. The record-low mortgage rates and the pent-up demand are helping, but sustained housing strength is typically tied to strong employment. We are very concerned that, unless we start to see a broader stabilization in job numbers, the housing recovery could be short-lived.

That's why our industry is recommending that the upcoming provincial budget focus on job creation. The province needs to continue with economic stimulus funding, with a focus on major infrastructure projects. This will yield significant benefits: jobs in the short term and productivity gains in the long term.

Right now the government has the opportunity to address the infrastructure deficit and to build further on last year's investments towards enhancing border crossings, funding the infrastructure that supports the growth plan, updating our aging water and waste-water systems and supporting the Metrolinx regional transportation plan.

For years, governments of all political stripes have only paid lip service to the infrastructure that supports our economy and quality of life. Finally, we have seen a real commitment by this government to make bold investments, and we recommend this continue until a solid recovery has taken hold and prior to putting the brakes on any stimulus funding.

Mr. James Bazely: The shift to a single sales tax has not been without controversy, and I'll state clearly that the Ontario Home Builders' Association recognizes the long-term economic benefits of this major change in tax policy. We have, however, been consistent in our message that both new housing and residential renovations require specialized tax policies that recognize that housing is different.

To give the provincial government credit, new housing was given specialized tax treatment in the 2009 provincial budget. The initial harmonized sales tax proposal was based on a regressive tax structure with dual thresholds that the federal government implemented when the GST was introduced. We immediately recognized some major flaws in the tax policy and were pleased by the willingness of the Ministry of Finance to work with us to identify aspects of the tax structure that could be improved. In June, a progressive tax structure was introduced, and this tax structure has since been adopted by BC when they announced that they, too, would be harmonizing sales taxes.

I should note that while we support positive measures taken to improve the tax structure, it still represents a net taxation increase for new homes valued at over $400,000 and will weigh on the future performance of our industry in terms of job creation. Therefore, we strongly recommend that the province review the $400,000 threshold on a regular basis to ensure that as average new home prices inevitably increase over the long term, the threshold also increases to protect housing affordability.

Mr. Bob Finnigan: Further to that, with respect to the HST and the residential renovations, this area of the tax still requires some serious thought and modifications to what has been tabled.

The problem can be summed up in a nutshell: Today, an estimated 37% of contractor renovations are taking place in the underground economy, as consumers pay cash to avoid paying the 5% GST. On July 1, when the sales tax jumps from 5% to 13%, it's pretty obvious that the estimated $5.2 billion in unreported activity is going to grow substantially.

There's lots of work out there, and because of the consumer demand, more renovators are just going to go underground and earn a living tax-free. The consumers that choose to go this route, i.e., under the table, will have little or no recourse in the event of shoddy or unsafe workmanship, no warranties, and increased exposure to financial liability or other issues should an accident occur.

The other big losers are going to be the taxpayers and the provincial and federal treasuries. The Altus Group recently estimated that the increase in sales taxes from 5% to 13% will result in significant government revenue losses, such as a loss of up to $298 million in GST revenue annually and the loss of up to $1.6 billion in annual income tax revenue. Add to that the hundreds of millions of dollars in lost revenues for CPP, WSIB and employment insurance premiums and you can see clearly that something needs to be done to the current legislation.

It is not just the province. The federal government clearly has a role to play as well, given that the GST is already a major problem contributing to the cash transactions and tax avoidance in the renovation sector.

OHBA, in conjunction with our national association, has proposed a joint solution involving both the federal and provincial governments. The federal government should expand and make the new home renovation tax credit permanent, and we recommend that the province implement its own renovation tax rebate directly to consumers. This would encourage the use of legitimate contractors and, through the collection of receipts, there would be a paper trail for the tax collection agencies that could be shared with other government agencies such as WSIB. It's a proposal that represents good tax policy and good public policy.

Lastly, we'd like to briefly touch on an initiative launched by the provincial government called Open for Business. This program was created to fulfill the province's commitment to create a stronger and more prosperous Ontario by making it easier to do business with government and reduce the regulatory burden. The residential construction industry is one of the most heavily regulated businesses in Ontario. Many of these regulations have clear purposes and value, but there are opportunities to improve procedures and processes, as

well as eliminating duplication and redundancy. OHBA looks forward to working with the provincial government to take a hard look at many aspects of the regulatory environment and seek improvements.

We must mention our support for the Good Government Act, which includes measures to combat illegal building. Spearheaded by OHBA, working in cooperation with the Tarion Warranty Corp., municipal building departments will now be required to share permit information with Tarion, which will facilitate investigation, enforcement and prosecution of illegal builders. This is a big step in the right direction.

Mr. James Bazely: I'll conclude our presentation today by reiterating the need for the province to continue to make infrastructure investments to ensure this is a sustainable V-shaped recovery, as we do not want that dreaded W-shaped second dip. Residential construction is helping lead a recovery through increased activity, which is creating new jobs in communities across Ontario.

I caution you that this is a very fragile recovery, and our industry is very sensitive to any increases in taxes and regulations. We are concerned about our overall employment numbers, taxation changes on July 1 and anticipated increases in mortgage rates. We hope to continue to work with all of you to ensure that the new housing and renovation industries continue to support job growth, and we will work with you to combat illegal activity.

I'd like to thank you this afternoon for your attention, and Bob and I look forward to hearing any of your comments or answering any of your questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I would ask Mr. Delaney to begin his questioning.

Mr. Bob Delaney: Thank you very much for the very interesting presentation. I visited the headquarters of some major retailers who have all made it very clear that they intend to flow through both the costs and tax savings from their suppliers through to their customers, and to do it as quickly as is feasible. In looking at the structure of your industry, the firms in it, depending upon their size, are going to benefit from the elimination of the capital tax, the elimination of the small business surtax, the reduction of your operating costs through input tax credits and, in addition to higher gross profits, a lower tax on your net profit.

My question to you is, how are you going to flow through these, particularly in your sector, enormous cost savings to the purchasers of homes?

Interjection.

Mr. Bob Finnigan: I'll take that one, sure.

We figured out that our average cost of producing a house will probably drop in the 1.6% to 2.4% range, depending on where you're building in the province—on the hard cost. A major component of the housing cost today is land, which has no tax on it today. The net increase on a $500,000 house, including the $24,000 rebate, is going to be in the vicinity of an additional $8,000, so there is no cost saving to a consumer in this situation. That $8,000 is a true tax cost. The cost that we would save in our business operations is minimal vis-à-vis the per-unit savings that we would have on a house, so 2%. So there's a significant cost.

As we said in the program here, it's a different product. With an average price of a house approaching $500,000—and that's not a rich man's house—the tax burden is increasing by $8,000 per $100,000 in excess of $400,000.

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As a builder myself, whatever the cost of my input is will bear out into the price of the house. The price of the house is driven by the market. So prices will be going up, affordability will be going down, and there is no net savings to the consumer.

Mr. Bob Delaney: Numerous of our presenters have said exactly the opposite to us and pointed out that, based upon their analyses, somewhere in the range of $2.5 billion to somewhere close to $3 billion of the some $4.5 billion that Ontario will leave on the table in taxes no longer collected will rest with the home building industry. Who's going to take this $2.5 billion to $3 billion and take it home?

Mr. James Bazely: I guess I'd have to dispute that it's going to be left on the table for the home builders to take home. Currently—and Bob's already made it all very clear—we've done the math on it and there is no gain on our half.

We currently can't keep up with the cost of housing. Every time there's an additional tax or charge applied, whether it be a DC charge or WSIB, we can't increase the cost of homes enough to even recapture some of that. So, quite frankly, I don't agree with that math.

Mr. Bob Delaney: Okay. Let's move to another topic. How much time have I got?

The Vice-Chair (Mrs. Laura Albanese): Two minutes.

Mr. Bob Delaney: Two minutes? Okay. You've talked about the underground economy, a concern that all parties here share. What measures do you take, as an entity and among your different builders, to work with the trades to teach them that the most profitable and most responsible course of action in conducting their business is to actually declare everything?

Mr. James Bazely: I'll grab that one. I can speak for myself. I can't speak for every member. Typically, our trades are members of our association, so they would share the same attitude or the same philosophy we do, that we're going to run a legitimate business. I don't think our concern is with our subtrades. Quite frankly, it's with all the firefighters that work 24-hour shifts and they're off five, six, seven days and they're running renovation businesses for cash; electrical firms for cash; irrigation businesses—cash; landscaping companies—cash. It's not our trades that are our concern; it's those people, or an up-and-coming business person who decides not to get legitimate, ever, who says that they've finished school and they're going to get into the renovation business and they're going to start doing it for cash. They

can buy a pickup truck and a hammer and call themselves a renovator.

What we have done as an association is we adopted the get-it-in-writing campaign. Also, most of the associations in Ontario have adopted, or are in the process of adopting, the RenoMark campaign, which gives a sort of accreditation to the renovation business.

It's tougher to do a cash deal on a new home, but it's very, very simple to do it in the renovation business. Quite frankly, the renovation business, financially, is larger than the new home industry in Ontario.

Mr. Bob Delaney: Thank you very much for your time.

The Vice-Chair (Mrs. Laura Albanese): Thank you. I'm sorry, but the time has expired.

ELEMENTARY TEACHERS' FEDERATION OF ONTARIO

The Vice-Chair (Mrs. Laura Albanese): We'll now call on the Elementary Teachers' Federation of Ontario to come forward. Good afternoon. You will have up to 10 minutes for your presentation, and that will be followed by five minutes of questioning. If you could please state your name for the purposes of Hansard.

Mr. Sam Hammond: My name is Sam Hammond, and I'll see how I can do in 10 minutes.

I'm Sam Hammond, president of the Elementary Teachers' Federation of Ontario, which represents 73,000 teachers, occasional teachers and educational support workers across the province. With me today are Gene Lewis, ETFO's general secretary, and Vivian McCaffrey, our government relations administrative assistant.

ETFO welcomes the opportunity to participate in these pre-budget hearings. The 2010 provincial budget will play a key role in determining how well Ontario continues to recover from the recent recession. The budget will also determine to what extent the province will be able to sustain public services and address the needs of those most adversely affected by the economic downturn.

ETFO recognizes that the province is predicting an annual deficit of $24.7 billion and that this figure could increase if the pace of economic recovery is slower or shallower than anticipated. We commend the government's decision to incur a budgetary deficit last year rather than cut public services that are essential to Ontario's general welfare and future economic prosperity. We also applaud the government's increased investment in education at a time of declining enrolment. This investment is necessary to ensure that Ontario continues to graduate students who have the knowledge and skills to support an increasingly knowledge-based economy. At the same time, ETFO recognizes that a responsible government must be mindful of the size of the budgetary deficit.

ETFO has some suggestions as to where the Ministry of Education can make cuts without negatively affecting the quality of programs offered to students.

To date, the government has wisely rejected the notion of targeting public sector salary compensation for restraint measures. Such a move would represent a flagrant disregard for collective agreements and for decisions made by the Supreme Court on the issue. Furthermore, it is simplistic to suggest that public sector employees have been sheltered from the economic downturn. While they have not suffered the severe job losses that have hit the auto or forestry sectors, for example, public sector employees have family members affected by private sector job loss, their savings have been depleted by the severe stock market slump, and many have faced job loss or had their hours of work cut back.

In the education sector, as the result of a number of factors, we have experienced a modest reduction in the teaching force. ETFO members have been particularly singled out. The economic decline, which peaked last fall in the midst of our provincial framework discussions for collective bargaining, resulted in our members being forced to accept lower salaries than their secondary, Catholic and French colleagues over the next four years. As a result, our contracts are providing annual savings to the government of approximately $45 million.

The decision to move ahead with full-day kindergarten is the right one for Ontario. Once fully implemented, the program will bring the province closer to jurisdictions in most industrialized nations which have well-established early childhood education programs that are recognized as critical for healthy development, improved student achievement and supporting workplace participation on the part of young parents, especially women. Full-day kindergarten will also contribute to economic growth and stability. A strong economy and rebuilding the tax base depends on the creation of good jobs.

By 2015-16, this program will create an estimated 3,800 additional teaching positions and 20,000 positions for early childhood educators. These will be good jobs, supporting every community across the province. The new program should also assist in keeping some elementary schools open that otherwise might face closure. The program should also lead to schools with available classroom space becoming community hubs for children's services, a development that should mean cost efficiencies and more effective use of public dollars.

If the Ministry of Education is being obliged by government-imposed restraint measures to find efficiencies, ETFO believes the focus should be on spending not directly related to classroom programs and resources. ETFO recommends that the ministry look for cost savings within the operation of the Education Quality and Accountability Office and the various initiatives administered through the ministry's literacy and numeracy secretariat.

Classroom teachers across the province report that the ongoing push for assessment data takes important time away from classroom instruction and that it leads to a disproportionate time spent on literacy and numeracy, to the detriment of other subjects. It is clearly time to take a

break from the current assessment practices and allow teachers to apply what they've learned to date.

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ETFO recommends that the government consider a number of options to find savings from the EQAO's $34-million annual budget, including:

—adopting a two-year moratorium on the tests;

—eliminating the grade 3 or 6 tests;

—testing on a two- or three-year cycle; and

—moving to random sample testing whereby only students in a few randomly selected schools participate in the tests each year.

Scaling back on EQAO assessment would also place Ontario in line with other jurisdictions with a history of administering large-scale assessments. Scotland and Wales abolished their national assessments in 2001 and 2003 respectively. In 2008, Northern Ireland cancelled the assessments its students wrote for acceptance to grammar school, and England ended its national assessment for 14-year-olds.

Within Canada, Manitoba abolished its grade 3, 6 and 9 tests beginning in 1999, and New Brunswick cancelled its secondary provincial assessments in 2005. In Alberta, the government is working with the provincial teachers union to develop classroom assessment tools to replace its grade 3 tests. It's time for Ontario to follow suit and dramatically scale back on EQAO assessments.

The Ministry of Education allocates $77.5 million to the work of the literacy and numeracy secretariat. The secretariat has been engaged at the school level for over five years in a number of initiatives aimed at boosting student achievement scores on EQAO tests. The ministry could achieve considerable savings by eliminating, temporarily suspending or dramatically reducing the various LNS initiatives.

The ministry allocates $14.1 million to support more than 80 student achievement officers who are sent into the field to work with school boards and schools. ETFO believes these individuals duplicate work done by school board consultants and that the positions should be eliminated. Ministry staff should be working at the provincial level, not the school level.

A major part of the literacy and numeracy secretariat budget, more than $33 million, goes to a program entitled Ontario focused intervention partnership, OFIP. This program targets schools where results on the EQAO tests have been low or have remained static over time and provides intensive support to the areas of literacy and numeracy. The program has been in place for three years. Now is an appropriate time to end the program and a similar program, Schools in the Middle, and give teachers in these schools the opportunity to apply what they've learned without the interruption and intrusion of the intensified intervention.

On behalf of 73,000 members, ETFO also recommends that the Ministry of Education eliminate the school effectiveness framework to achieve savings of $11.4 million.

The Vice-Chair (Mrs. Laura Albanese): You have about 30 seconds left.

Mr. Sam Hammond: In conclusion, ETFO commends the government for avoiding the mistakes made by previous governments faced with an economic recession. Cuts to public services or targeting public sector compensation will do nothing to rebuild the economy.

Ontarians are relying on the government to sustain essential services, assist those most severely affected by economic dislocation and invest in ventures that will produce the highly skilled, well-paying jobs the province needs to prosper.

Thanks for the opportunity to present.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that submission, and I will turn it over to Mr. Shurman for questions.

Mr. Peter Shurman: Good afternoon, Mr. Hammond. Thank you for the presentation—interesting listening. I suspect that we can't cover very much in five minutes. We could probably talk for a few hours on some of the things that you've said.

Many submissions over the past week, as we've travelled around Ontario, have talked about the need for all manner of things. I'm thinking particularly of one woman in Niagara Falls who, faced with the choice that I gave her, an imaginary choice of additional funding for her son, with severe mental handicaps, and her daughter, who is qualified to go to all-day kindergarten, said, "In a New York minute I would go with the increased funding for my son's ailment and for other kids like him. We don't need junior kindergarten at this point."

You have said very specifically that you think going ahead with that is important. In these budgetary times, how can you make that case?

Mr. Sam Hammond: The government is going ahead with the early learning program. I would agree with you that the situation and the example that you put forth is also extremely important to parents across this province. Because the government is going ahead with early learning, we have been and we continue to be extremely supportive of that program. We think it is a good short- and long-term investment in students and four- and five-year-olds in the short term, and in those same students as they progress throughout the education system. The foundation that will be set by that program going forward with a teacher and an early childhood educator in those classrooms will be an extremely valuable asset to four- and five-year-olds.

Mr. Peter Shurman: In a perfect world I'd agree with you, but it's not a perfect world, as you yourself have said. This is a time of restraint. You don't want the restraints to hit your membership. That's perfectly understandable, but something's got to give when you've got $25 billion in deficit and not very much behind that for the ensuing year or two years. It's hard to make the case for going ahead with new programs if you can't fund the ones that are already there.

Mr. Sam Hammond: I think going ahead there is a very good case to be made, as we've made here, and in

our submissions to the government on full-day learning we have made a very good case for going ahead with the early learning program for four- and five-year-olds in this province.

Mr. Peter Shurman: But the recommendation of Charles Pascal himself was that we not use full-fledged teachers, that we use early childhood educators, and we wound up with a full program involving your members.

Mr. Sam Hammond: I'm sorry?

Mr. Peter Shurman: The Charles Pascal recommendation that was the precursor to this didn't require full days taught by fully qualified teachers such as your members.

Mr. Sam Hammond: We agree and have advocated very strongly that the right model is the model that has been introduced, with a teacher and an ECE professional in those classrooms. Would it have been cheaper to go the other way? Absolutely. But the best model in terms of what needs to happen in those classrooms for four- and five-year-olds is the model that the government has put forward.

Mr. Norm Miller: Thank you for your presentation. We had a presentation earlier in the day from the Canadian Federation of Independent Business and one of the statistics they were talking about was that there's a 28% differential between private sector wages and the public sector. Obviously we know that we're facing a $25-billion deficit. Do you think the public sector has a role in helping the province address that $25-billion deficit?

Mr. Sam Hammond: Yes. We all do, as taxpayers, as government; we should all contribute to find solutions to that deficit. We've done that in our submission in terms of where we see government can immediately make cuts or find cuts, reductions in their budget across the board—

Mr. Norm Miller: I know I don't have much time. On that point you're suggesting cuts to the Education Quality and Accountability Office and the literacy and numeracy secretariat. Some members of this committee were with me in Philadelphia this summer and the keynote speaker at the National Conference of State Legislatures was Bill Gates. The key of his speech—and I won't be able to get through it in a minute—was that teachers are the most important thing to improve the outcome of a student, that one good teacher can make a 25% difference in one year in improvement in a student. So what you need to do is have longitudinal data that follows the particular teacher and you reward the teachers that are doing well and get them to mentor other teachers. You seem to be going away from that, going in a completely different direction than trying to develop better teachers and reward the best teachers.

The Vice-Chair (Mrs. Laura Albanese): Brief answer.

Mr. Sam Hammond: I don't agree. I absolutely don't agree. ETFO and the other teaching affiliates in Ontario have spent a great deal of time in terms of professional development for our members, supporting our members and making sure that teachers have what they need in those classrooms to do the best job and to benefit every single student in classrooms.

1530

Just to go back to your other question, ETFO, as I said in the submission—when you talk about public sector employees contributing to the deficit, my members across this province have already contributed $45 million to this government with the reduction of 2% salary compared to their colleagues across the province.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your answer. The time was expired.

Mr. Sam Hammond: Thank you.

ONTARIO ASSOCIATION OF CHILDREN'S AID SOCIETIES

The Vice-Chair (Mrs. Laura Albanese): I would now call on the Ontario Association of Children's Aid Societies. Good afternoon. You will have 10 minutes for your presentation, and that could be followed with up to five minutes of questioning. This rotation will go to the NDP and Mr. Prue at the end of your presentation. Please state your name before you begin.

Ms. Jeanette Lewis: Thank you, Ms. Albanese. My name is Jeanette Lewis. I am the executive director of the Ontario Association of Children's Aid Societies, and with me is my colleague Virginia Rowden, director of social policy at the OACAS.

Good afternoon to all members of the committee.

You have a copy of our submission, and I would ask that you follow the copy in the presentation, beginning on page 4, where you'll note that the Child and Family Services Act gives children's aid societies the exclusive mandate to protect children from abuse and neglect. The legislation, regulations, directives and standards prescribe specific and detailed requirements regarding what CASs must do, how they must do it and the timelines in which critical and mandatory protection and prevention services must be provided.

On page 5, we describe the impact of the recession on families, and this impact is being seen by CASs. Last year in our presentation, we noted that the economic downturn would result in higher demand for certain CAS services. Unfortunately, this prediction that higher rates of poverty, unemployment and other effects of the recession would affect children, and thus increase demand on CAS services, is being realized.

More than one in four children in Toronto live in poverty. The percentage of poor children in the 905 region is also increasing, and the incidence of poverty has consistently increased across Ontario. We know that research shows that there's a direct link between poverty and child abuse, mental health issues and woman abuse, all of which affect the demand for CAS services.

OACAS supports the government's efforts to address poverty, and we support the announcements related to the Ontario child benefit, early learning and tax fairness for low-income Ontarians, but we remind you that the criti-

cal safety net of child protection services has been eroded.

With an increase in unemployment by 43% since 2008 and the utilization of public welfare increasing by 17% from November 2008 to November 2009, we also have seen an increase in CAS investigations and assessments.

Meanwhile, in this past year, CAS resources have decreased. The Ministry of Children and Youth Services rolled back funding in 2009-10 for CASs with in-year funding cuts, including disproportionate cuts in funding to the most vulnerable communities, such as aboriginals' CASs in northern, remote and urban areas, as well as cuts to CASs in some of the high-growth urban communities, such as York, Durham and Simcoe. There was a rollback of the amount provided in 2008-09 and a zero increase for 2009-10. The government also applied a retroactive infrastructure cap. In total, the 2009-10 cuts to CASs totalled $54 million, and this is money that should have been available to serve the most vulnerable children and families.

If you look at page 8 and consider the track record of children's aid societies in Ontario, Ontario has the second-lowest rate of children in care in Canada, which is remarkable. In fact, the child welfare program evaluation report done in 2003 by the government stated in its cross-jurisdictional review that there was no more cost-effective alternative to the model used in Ontario and that no jurisdiction was more efficient.

In the past months, CASs have been told that their spending was growing too rapidly. Now, the facts are that the CAS rate of expenditure growth is slower than the overall rate of expenditure growth in Ontario. In fact, CAS expenditures have declined as a percentage of provincial spending.

In the backdrop, it's important to consider that changes in how CASs do the work of child protection have been continuous during the past 12 years. There have been two major government change agendas—child welfare reform and child welfare transformation—and these agendas have resulted in more Ontario children being kept with their families. But much of what the CAS does is not funded by a funding model that has a two-year lag in the calculation of agency allocations, allows no true adjustment for inflation, and does not support keeping children safe within family homes.

The current measurement systems count CAS work by the number of children who are out of their family homes and in care, and this is a good thing, but let us remember that services to children in care account for only about 10% of the cases served. Most of the hard work of keeping children safe in their own families is time- and resource-intensive and is not reflected in the current funding model or the numbers that are quoted.

If you go on to page 11, the solutions proposed by CASs and other experts are outlined, and on page 12, some important numbers are presented to you.

First, child protection calls increased by 3% in 2008-09, and these calls resulted in 156,650 referrals and investigations.

Secondly, the number of children in care is stable, and this is a good thing because it does prove that some of the reform and transformation initiatives are working. On any given day, there are slightly more than 17,800 children in care, and through the year the number cared for is about 27,000.

But, as stated previously, the in-care cases account for only 10% of CAS work. The other 90% involves supporting and helping vulnerable families with multiple challenges, including child neglect, which accounts for about 61% of the referrals, and emotional harm resulting from domestic violence and mental health issues, which is the second most common reason for calls. Supporting these families requires a professional response that is time-consuming but is better for children and saves hundreds of thousands of dollars per child in the long run, because taking a child into care is expensive and can last for years, until the child grows up.

When critics comment on CAS work, they tend to look at two lines: the number of children in care and the funding received. But, as stated previously, they ignore 90% of the work done to prevent admissions. Here it's important to consider an analogy to crime prevention. Police forces aren't cut when the number of crimes goes down. In fact, these data are used as indications of success for community policing. I posit to you that it's the same for child welfare, and without proper investments, good outcomes for children in care and children served by children's aid societies in Ontario are in jeopardy.

Let's turn quickly to some targeted solutions. On page 17 we note that aboriginal children and their families are over-represented. We recommend a specific funding model for aboriginal CASs that would allow Ontario to take full advantage of the 1965 Indian welfare agreement with the government of Canada and would allow both governments to meet funding obligations as set out in treaties with the First Peoples of Canada.

We also recommend that children needing permanent families, including those waiting for adoption and legal custody, be supported through consistent funding allowances for kinship service, subsidies for adoption and subsidies for legal custody.

As well, we recommend that youth who must leave foster care at 17, and who age out when they are just 20 years old, should receive better supports for a successful transition to adulthood. Given the high needs of these young people, their delayed maturity and their lack of natural support networks, the strategy of early emancipation is a recipe for failure. There are some comments on that on page 19.

If I can finish by noting the changes that are needed, I'd invite you to look at page 25.

First, CASs need adequate funding to meet the child protection mandate. This includes volume adjustments, a link to inflation, and true funding for the real costs of child protection services, the 90% of work that is like community policing and that is not related to children in care.

1540

Second, the government should create incentives and spend smartly for better results by maximizing federal cost-sharing for aboriginal CASs and creating a funding model that meets the needs of providing services to aboriginal children while getting the full 93% rebate from the government of Canada.

The government should also invest proactively in adoption and legal custody that will result in children having permanent families, rather than remaining in long-term foster care paid for by the government of Ontario.

To assist youth transitioning to adulthood, young people should be allowed to stay in their homes to finish school and should be provided with health and dental supports to age 25.

As well, gaps in other services must be addressed. These gaps include the lack of services for children with exceptional needs who stay in the system past the age of 18 due to lack of available services in the adult sector, and lack of services for children who enter child welfare due to shortages of placements and services in other sectors, including developmental services, children's mental health and youth justice.

The Vice-Chair (Mrs. Laura Albanese): Thank you. The time up.

Ms. Jeanette Lewis: My time is up? Thank you.

The Vice-Chair (Mrs. Laura Albanese): Yes. Sorry about that.

Mr. Michael Prue: Well, it's my question, so please continue. Please finish, and then I'll ask.

Ms. Jeanette Lewis: I'm just about finished, Mr. Prue, and thank you very much. I was just going to finish by saying that no Ontarians need the support of this committee more than the children served by CASs. Their voices aren't heard in the polls. Their private pain is remarkable. So robust and effective child protection is important and necessary in the best interests of these abused and neglected Ontarians. We need to work very, very hard to continue to assist these children and ensure their safety.

The Vice-Chair (Mrs. Laura Albanese): Mr. Prue.

Mr. Michael Prue: My first question relates to prior-year child welfare costs. You've listed them as $16.7 million. Is that for all of the CASs across Ontario?

Ms. Jeanette Lewis: That's for all of the CASs.

Mr. Michael Prue: Has the government indicated whether or not those monies are going to be picked up or taken out of this year's funds? What's going to happen to them?

Ms. Virginia Rowden: The $16.7 million that is sitting on the table as prior-year deficits is an accumulated deficit from across the province from prior years. So in answer to the question of whether the government has indicated what it will be doing, I can say that the government has said it will not provide any additional relief to children's aid societies. There has been no specific answer as to how they will deal with these deficits, nor the in-year deficits that are existing in this current year, which are in the range of $65 million. A very clear message from government was that they would not provide additional assistance.

This is a mandated, open-ended program. CASs can't hold waiting lists. As you're likely aware, there are a number of agencies that have indicated that they will cease providing services before the end of the fiscal year. Already we've seen one of the larger aboriginal agencies provided with some additional assistance, but there are quite a number of agencies across Ontario that are forecasting that they will not be able to pay staff, foster parents and other service providers beyond the beginning or middle of March.

Mr. Michael Prue: So there's an $80-million deficit and the government has said they're not going to cover it?

Ms. Virginia Rowden: Yes.

Mr. Michael Prue: The government has told the hospitals to expect 0%, 1% or 2%. Have they told you to expect 0%?

Ms. Virginia Rowden: They've told us to expect 0%.

Mr. Michael Prue: So you've got an $80-million deficit and been told to expect 0%.

Ms. Virginia Rowden: A $65-million deficit this year, $16.7 million prior-year, a rollback on previous inflation and a freeze, and a message of 0% in the future.

Mr. Michael Prue: And up on the James Bay, 13 kids have killed themselves.

Ms. Virginia Rowden: And 80 have tried.

Mr. Michael Prue: Eighty have tried. They came up with a few dollars to keep it open till March.

Ms. Virginia Rowden: Yes, and that's only one agency in a small community.

Mr. Michael Prue: Now, on page 11—and I've tried to do this as fast as I could—concerning the aboriginal youth, you note two reports. The Barnes Management Group asks for a separate model for aboriginal CASs and an immediate investment of $25 million above the 50th parallel. That was done during the mandate of this government. Was anything done about that?

Ms. Virginia Rowden: No. That's right: It was done during the mandate of this government, and no, nothing has been done.

Mr. Michael Prue: And the 2008 federal Auditor General's report on aboriginal CASs talked about funding based on the real cost of service delivery so that they could meet provincial standards. Was anything done with that report?

Ms. Virginia Rowden: No, nothing was done with that report.

Mr. Michael Prue: Okay. What is it you need this year? This is the finance committee. What kind of recommendation can I make? I don't know whether my colleagues will vote for it, but I'd like to try.

Ms. Virginia Rowden: First of all, our recommendations are not all about money. In fact, some of them are about spending money in a better way.

In terms of financial support, what the agencies are asking is for the real costs of the services to be addressed,

for the prior-year debts to be covered, and for there to be a management approach for the unaddressed spending from this year. We're very optimistic about a collaborative working relationship with the sustainability commission that's been appointed by the government and working forward through into the next fiscal year.

I think that the agencies as much as the government have a difficult time forecasting needs and expenditures, and as I think Jeanette Lewis has said, the agencies' caseloads are very much influenced by the economy. We're only just starting to see the impact of the economy on caseloads. There's generally an eight- to 14-month lag between a dip in the economy and a sharp increase in child welfare referrals. We've identified research reports to substantiate that. The reason for that is that it takes time for someone to be notified that they're going to lose their job, lose their job, go through their unemployment benefits, and then end up on welfare. The family stress that's involved in that directly affects child welfare cases, and we do expect that there will be many families caught in the economic recovery that will not be able to manage parenting during the next few years.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that. I'm sorry, but time is what it is. Thank you for appearing before our committee this afternoon.

Our committee is adjourned until 9 a.m. sharp tomorrow morning, and I encourage some of our members this evening, during their free time, to review the definition of "sharp."

The committee adjourned at 1546.

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STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Tuesday 2 February 2010

Mardi 2 février 2010

The committee met at 0901 in room 151.

The Vice-Chair (Mrs. Laura Albanese): The Standing Committee on Finance and Economic Affairs will now come to order. We are pleased to start the second day of pre-budget consultations in Toronto.

PRE-BUDGET CONSULTATIONS

ONTARIO RESTAURANT HOTEL AND MOTEL ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I would call our first presenters and ask them to start their presentation. You will have 10 minutes to do so and that will be followed by up to five minutes of questioning. This rotation will go to the official opposition. Please state your name before you begin for the purposes of our recording Hansard.

Mr. Tony Elenis: Good morning. My name is Tony Elenis. I'm the president and CEO of the Ontario Restaurant Hotel and Motel Association. I'm joined today by Michelle Saunders, our manager of government relations.

The ORHMA represents approximately 11,000 business units in the hospitality and tourism industry. In turn, these business units employ thousands of Ontarians who contribute to our economy every day. Our membership is diverse and spread across a spectrum that includes small, family-run companies and large corporations. We often feel that the only things more diverse, but equally dynamic, are the government policy files that impact our industry. A common set of elements to our industry is the reliance on consumer confidence and disposable income, as well as public policy decisions that stimulate the economy, create jobs and reduce regulatory burden. As you can appreciate, we are an extremely regulated industry.

We are all too keenly aware of the impact of the global recession on Ontario's economy. Ontario's hospitality and tourism industry is the first in and last out of any economic downturn and this recession is not an exception. So while we are starting to hear talk from the federal government and the banks of the economic recovery, we have yet to see those signs in our industry, particularly among our smaller members.

The ORHMA recognizes the fiscal pressures of the government and understands that the 2010 provincial budget will be one fraught with tough decisions. ORHMA members have survived the recession—or, shall I say, those who have survived have done so—by taking a close look at their expenditures and finding every savings possible. At the end of the day, our members can't simply raise menu prices and room rates and expect the customers to keep coming back. The industry is very competitive on price points. Government should note this example. So we have tried, as an association and as an industry, to focus our recommendations this year on efforts that will assist business in controlling costs. It is our hope these efforts ultimately will result in job creation, economic stimulation for the industry and perhaps some certainty in these uncertain times.

We have prepared a comprehensive set of recommendations focused on a limited number of policy areas.

Ontario's general minimum wage is scheduled to increase March 31, 2010, by 75 cents to $10.25 from its current $9.50. In Ontario, we continue to have two very important subcategories of minimum wage earners. These are called differentiated wage rates, meaning Ontario's liquor servers—those who earn gratuities—and students—those 18 or younger who work 28 hours a week or less during the school year—earn minimum wage rates lower than the general minimum wage. All three of these wage rates are scheduled to increase by 75 cents in March. Let me state first that the ORHMA supports the existence of the differentiated wage rates.

During a time of fragile economic recovery, the government must look at reducing costs that businesses face, just as it is reviewing its own expenditures. Past decisions need to be revisited. Labour currently accounts for more than 33% of restaurant operating dollars. Studies show, and certainly the experience of our members indicates, that minimum wage increases cause employers to respond by reducing the number of workers they employ and/or the number of hours their employees work. In other words, increases in the minimum wage result in higher unemployment for low-skilled workers and young people. This negative impact is particularly troublesome in our industry because we are not only selling food, we are selling service. Therefore, a reduction in hours or staffing because owners simply cannot afford the labour costs is effectively reducing the service we provide to our customers.

While we ultimately would like to see the general minimum wage rate held at 2009 levels, the ORHMA recommends implementing the general minimum wage increase by 75 cents but over a three-year time frame at 25 cents per year, after which time a third party review

should decide future adjustments to minimum wage. It is further recommended that the minimum wage rates for liquor servers and students be frozen at 2009 levels.

Before I leave the subject of minimum wage, I'm compelled to point out that the annual increases to all minimum wage rates have had numerous impacts, including the obvious ones already mentioned, but another, less obvious impact is that many small employers' payrolls have now ballooned to such a degree that they are required to pay the employer health tax. Previously, these same employers would have fallen below the $400,000 threshold. This is an additional burden small restaurateurs simply cannot bear. The ORHMA recommends increasing the threshold for the employer health tax from $400,000 to $1 million.

I realize we are limited with time so let me just give you an overview of the other issues of concern to the ORHMA and our membership. ORHMA recommends the following:

—that the government introduce a wholesale pricing regime for beverage alcohol to help offset the increased cost of alcohol which will result from the introduction of the harmonized sales tax;

—that the government eliminate the environmental levy charged to liquor licensees on all non-refillable wine, spirits and beer bottles, which essentially was made redundant by the deposit-return program;

—the extension of the existing apprenticeship training tax credit to the positions of red seal chef and red seal baker to assist employers in the hiring and training of apprentices. I should point out here that Ontario is now the only province to not provide a tax credit to employers taking on apprentice chefs and bakers;

—hold WSIB premium rates at their current levels and address the unfunded liability;

—undertake a systemic review of WSIB to find internal savings and program efficiencies;

—the development of a tourism investment strategy, a recommendation proposed in the competitiveness study prepared by Greg Sorbara in 2008. This will stimulate tourism and, in turn, benefit Ontario's economy. Specifically, it is time to set up a success team to drive a proactive approach to tourism investment and urgently set up a loan guarantee program for tourism businesses;

—amend the City of Toronto Act to revoke the city's authority to levy a liquor tax.

We appreciate the opportunity to present before you today. We hope we have underscored the needs that the thousands of ORHMA families have asked us to bring to your attention. We recognize that this committee and the government have some very tough choices to make moving forward. Thank you.

The Vice-Chair (Mrs. Laura Albanese): And thank you very much for that presentation. I will now ask Mr. Shurman to begin the questioning.

Mr. Peter Shurman: Thank you very much for an interesting presentation. There are those out there and in this room who would take great exception to what you have to say about the minimum wage. I would not be one of them. I'm very interested to hear more amplification of the position that you've taken.

I am extremely aware through personal relationships with people in the restaurant and hospitality business who have given me ample reason to understand a lot of what you said, but I think it's important that more than just a few people understand that restaurants, particularly, operate on a precarious basis in the sense that it's very rare to see bank financing funding a restaurant. It's often a family business. The margins can be extremely tight and restaurateurs at the small level spend an awful lot of time worrying. I know one of them has spoken to me very recently in my riding.

0910

Tell us about minimum wage/gratuities and how employees are compensated in the restaurant business, and expand on the impact you say it has that can affect employment in the province.

Mr. Tony Elenis: First of all, 28% of the gratuity earners work in our industry. They make gratuities and in many ways their paycheque is a little higher than the manager who runs the room, and they work hard at it. What's happening on the restaurant scene now is that we see only a small pool of payroll to go around. With the minimum wage going up and another increase projected in March, we are seeing restaurateurs curtailing pay increases to other jobs that don't earn gratuities—in the kitchen, for example, the cooks and the bakers. Those are the ones who actually earn an income to take home and support a family and make a career of it. A skilled trade is really capped due to the minimum wage increases. There aren't enough dollars to go around. It's as simple as that.

Mr. Peter Shurman: I think you also make an interesting point that the government should pay attention to in dealing with the minimum wage, and that is that you parse it into several categories. It's like saying "the Asian community," as if Asians are all one community, and people do that and it's an error when we talk in public. Talking about the minimum wage as if it applies in one particular and uniform way to everybody is wrong and you've illustrated that point. Maybe you could amplify on that.

Mr. Tony Elenis: I think the student differential rate is made up of students. My own son works to make a living, to help himself through school. They are supported at home. It's not a poverty-driven sector. Of course, we talked about the liquor servers who earn gratuities and that's really their take-home to meet expenses on a daily basis.

We're talking about restaurants; it's the whole picture, the whole package. In the last 10 years, tourism has been down by 32 million visitors. It's affecting restaurants. Manufacturing is down and that's affecting restaurants. The global economy is one item that just came in as of late. This has been going on now for the last 10 years. We have seen food prices going up. We have seen gasoline prices going up. There are a lot of fixed expenses in restaurants that operate anywhere from 1% to 2.5%—slim margins, razor-thin margins.

Mr. Norm Miller: Thank you for your presentation. I think the two of us could ask you questions for half an hour, but we only have five minutes.

Mr. Tony Elenis: We could take another half hour.

Mr. Norm Miller: I note you make mention of WSIB. Are you seeing an increase in regulations in the industries that you represent: hotels, motels and restaurants?

Ms. Michelle Saunders: If I could respond to that, we are seeing an increase in regulation, but what we are also seeing is an increase in the confusion in the business community about the role of WSIB and the role of the Ministry of Labour. We've been working with both the agency and the ministry to try and make sure that their work is streamlined and coordinated, that employers understand their responsibilities so that they can meet their obligations. Of course, they want to do that to the best of their ability. They do have—

Mr. Norm Miller: So it's safe to say that there are a lot of rules out there. My feeling is that it's pretty much impossible for the businessperson to actually know all the rules. I'm sure the great majority of them want to comply, but they don't necessarily know the rules and government doesn't necessarily communicate with them.

Mr. Tony Elenis: WSIB comes up as one of the top three issues out there as far as having too much regulation placed on it.

The Vice-Chair (Mrs. Laura Albanese): Fifteen seconds.

Mr. Norm Miller: I have 15 seconds for the other 10 issues I want to ask you about, but I note that you'd like to see the threshold of the employer health tax—that's just a tax on payroll; I'm correct on that?

Mr. Tony Elenis: Right.

Mr. Norm Miller: So once the income of your business hits $400,000, you have to pay that payroll tax.

Mr. Tony Elenis: The minimum wage increases have made that to be reviewed.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation.

ONTARIO ASSOCIATION OF NON-PROFIT HOMES AND SERVICES FOR SENIORS

The Vice-Chair (Mrs. Laura Albanese): We'll now call on the Ontario Association of Non-Profit Homes and Services for Seniors to come forward. Good morning. You will have 10 minutes for your presentation and that will be followed by up to five minutes of questioning. In this rotation the questioning will go to Mr. Prue, representing the NDP. Please state your name before you begin.

Ms. Donna Rubin: Good morning. My name is Donna Rubin. I'm the chief executive officer of OANHSS. With me this morning is Maria Elias, who is the chair of our board and also CEO of Belmont House, a long-term-care home here in downtown Toronto. In your package is our formal submission as well as the slide deck that I'll be using to highlight just a few key points this morning.

To make sure you know who we represent, OANHSS is the lead voice representing not-for-profit long-term care in Ontario. We represent 27,000 of the 76,000 long-term-care beds and our members have a continuum of care. Often, many of them have a home, housing or community services programs that they offer.

I'm going to quickly go through the first few slides. The demand for long-term care has been increasing. The supply remains pretty constant. The wait list is just under 26,000 beds and we're pretty much full. The latest utilization reports show we're at a 99.6% occupancy rate.

Just so you understand the levels of acuity of the residents we serve, we're providing assistance to practically every activity of daily living—dressing, toileting, eating—and a growing number of people require special intervention, such as feeding tubes, chest drainage and oxygen.

I'm on slide 5. Our objective is to help the government with its overall ALC objectives, trying to get people out of hospitals' emergency rooms and into other alternate forms of care, long-term care being one of the main ones. But to meet those objectives, we need to see a number of our needs satisfied. I'm going to talk briefly about workforce capacity enhancement, system change management support and relief to the other accommodation envelope.

Briefly on slide 7, the main point we want to make is that for many years, we've identified that we need a number of staff increases in long-term care to our staffing complement, and this government actually promised targeted positions to RPNs, nurses and PSWs. That RPN target has been fulfilled, but we're still looking to fill 1,600 PSWs and 1,350 nursing positions. They remain unallocated. These were promised in the 2008 budget. So they have been committed, but we have not seen the full wave of those investments flow.

The Sharkey report that came out about a year and a half ago also recognized the need for staffing in long-term care, and they called for staffing levels to increase to four paid hours per resident per day. We're recommending that the allocation of all these remaining positions, as well as additional HR resources to bring staffing levels to four paid hours per day, happen as soon as possible in the 2010-11 year. We've been waiting for a long time and our residents really can't wait any longer—nor can the system, if it wants to achieve its goals.

One of the main areas under workforce capacity is that we need specialized staff and trained staff, particularly to work with a population that has cognitive impairment. Over two thirds of our residents have cognitive impairment and a growing number have serious mental health issues, and we've presented to the Select Committee on Mental Health and Addictions on that point.

We also have called upon the government in that report to identify a system-wide HR plan. The funding methodology used to look at the level of care in long-term care doesn't capture behaviours very well. We're not getting funded as much as we should to provide support to that population. We want the government to review that, complete a study and start to commit funding

to support us in that area by the end of the second quarter of 2010-11.

The third area under capacity is infection control. Like many other parts of the health sector, we have a vulnerable population. We've taken the brunt of SARS, listeriosis and flu. They cause havoc amongst our population. We don't think it's reasonable to ask for dedicated infection control practitioners, but we want to at least be able to train the staff we have in this area. We think that's fundamentally important and we know this government's going to look at patient safety in the area of long-term care—I'm looking at indicators—and we need to train up our staff.

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I'm going to switch to system change management support, because we're in an unprecedented era of overhaul, of a number of system changes. Our compliance inspection system is being looked at. We've got a new assessment system, MDS/RUGS. Most of you will know we've got a new Long-Term Care Homes Act and a new regulation coming out, hopefully this year. The government has been good in managing some projects to get all of the homes up to speed very quickly. There are 622 long-term-care homes in the province. If we can get enabling support—for example, when the new act comes into force, overnight we're going to be on the hook for new changes and requirements, and they could support us tremendously by putting in their budget money to help homes with the change management of that.

On slide 11, I want to speak briefly to acuity-related needs. When we've got people with increased needs in our homes, it affects the other envelopes that we have, including what we call "other accommodation." That's things like housekeeping, laundry and other services. Historically, we get an OA increase. Last year, it wasn't put into the base; it was just one-time, because of the fiscal challenges. We'd like to have that OA increase annualized, as well as ongoing OA increases in this year's envelope.

Finally, I'd like to just mention that we also have to commit funds to ongoing physical plant renewal. It's one thing to have a capital program to tear down and rebuild homes, which is obviously needed, but these homes last for 20, 25, 30 years, and there are no operating dollars to look at replacing your roof, changing your carpets, your heating systems. We used to have minor capital grants. We need to look at provision for ongoing capital. As well, homes are putting money aside out of operations so that they have the funding to rebuild when that time comes. We recommend the ministry study options for ongoing funding of these costs.

In conclusion, it's very important that we look at the recommendations we have identified, if the government does want us to play our part in the overall ER/ALC strategy, not only to do that but also to do well by the seniors that we're serving. Our prime focus is to make sure they've got the support that they need and deserve.

Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission. Mr. Prue?

Mr. Michael Prue: Yes, a couple of questions. I note from your front page that there are 27,445 beds, but there's also a wait-list of 25,680. That means only about half the people are being accommodated. Would that be correct?

Ms. Donna Rubin: Well, there are 76,000 beds in the province. You're right. They could be on multiple wait lists. Maria can speak more to that as well, because she's got a wait list for her home.

Ms. Maria Elias: I'd just like to clarify that we have on our wait list 360 people, and we have a turnover rate of about 30 long-term-care residents a year. Certainly, the demand outstrips the supply of long-term-care beds provincially.

Mr. Michael Prue: On one of your slides, Workforce Capacity Enhancement, you talk about, "Currently, funding for over 1,600 PSWs...." Above that, you have "2,500 PSWs." Do you require 1,600 or do you require 900? I'm not sure, from that—

Ms. Donna Rubin: Okay, sorry. Currently, the funding for the 1,600 remains unallocated, so 2,500 is the target. In the first wave, in the 2008 budget, there was funding for about 880, and we are needing 1,600 further PSWs.

Mr. Michael Prue: So that's twice as many as were in last year's budget.

Ms. Donna Rubin: Right. And this past year, none were allocated. There were no funding investments.

Mr. Michael Prue: The second thing: You say "nursing positions remain unallocated" and there's 2,000 nurses. Are they all unallocated? No nurses were provided?

Ms. Donna Rubin: Yes, nurses were provided last year. Particularly, they helped us staff up with MDS, a new funding assessment tool. But 1,350 nursing positions remain unallocated.

Mr. Michael Prue: Okay. Now we've got that clear, have you given any thought as to how much that's going to cost the government? You obviously know what it cost them last time to put some of the people in. How much more is that, in dollars?

Ms. Donna Rubin: To fulfill these positions would probably cost in the area of $150 million.

Mr. Michael Prue: Okay. And if those positions were filled, would it do anything for the level of service? I know many people advocate 3.5 or four hours a day per person. Nobody's getting anywhere near that.

Ms. Donna Rubin: This would bring us much further. This would bring us close to between 3.1 and 3.5, and we're asking as well that we get closer to four hours. But right now our ratio, for example, for nurses on average in the province is one nurse for 64 residents on a day shift and one for 100 to 250 on the evening shift, depending on the home. So infusing the system with nurses and putting in more PSWs would give us more direct-care staff on the floor. It would make a huge difference.

Mr. Michael Prue: It would make a huge difference?

Ms. Donna Rubin: Oh, absolutely. But we don't want to wait for another three years for this to happen. We're

saying we need it now to ensure the safety of our residents. That's what's keeping people up at night. They can't ensure the safety and the well-being of the residents, because two thirds of them have cognitive impairment and many of them have violent, aggressive behaviours.

Mr. Michael Prue: I know that this promise was made by a former Minister of Health, that there was going to be a revolution. Have you seen any part of that revolution?

Ms. Donna Rubin: Well, if these positions had occurred several years ago when that revolution was announced, we would have had it, but no; we're still waiting for it to happen.

Mr. Michael Prue: You also talk about continuing the indexation of the OA. You got $1.55 per resident per day in last year's budget. How much extra money was that?

Ms. Donna Rubin: What did it bring, the $1.55?

Mr. Michael Prue: Yes.

Ms. Donna Rubin: Do you want to speak to that?

Ms. Maria Elias: Well, taking a look at my particular home, that brought in an additional $50,000. But I can tell you that there haven't been increases to the OA envelope in many, many years, and yet we are required to provide a safe and secure environment for our residents. For example, I have to replace a generator that's going to cost me over $60,000 and I have to take that out of the operations, which therefore means I have to take it out of the care that's being delivered to the residents. So roof repairs, generator replacement in case of a power outage, which we recently experienced: We do need to ensure a safe environment, and there are no additional funds from government to ensure that.

The Vice-Chair (Mrs. Laura Albanese): Time has expired. Thank you for appearing before the committee this morning.

KINARK CHILD AND FAMILY SERVICES

The Vice-Chair (Mrs. Laura Albanese): Now we'll call on Kinark Child and Family Services. Good morning. You will have 10 minutes for your presentation, and that will be followed by up to five minutes of questioning. This rotation will go to the government side. Please identify yourselves before you begin your presentation for the purposes of our recording Hansard. Thank you.

Mr. Peter Moore: Good morning. My name is Peter Moore. With me is Tracy Folkes Hanson, the communications director at Kinark. I'm the executive director there. I appreciate the opportunity to present to you today.

I'm speaking for children and youth who too often do not have a voice, and for parents who are silenced by shame and stigma. My message focuses on children's mental health in Ontario.

Kinark conducted a national survey in 2007 which put numbers to facts: 40% of parents are ashamed to admit that their child suffers from anxiety or depression. One third of women and two thirds of men would be ashamed to admit that their child has attempted suicide in the past. Yet mental health issues permeate our society: in our schools, in the Ontario child welfare system, in our youth justice facilities and in our health sector. In fact, we are facing what one pediatrician in Peterborough has called a silent epidemic.

I'd like to begin by telling you about Kinark Child and Family Services and children's mental health. Next, I'll share some real-life stories to illustrate the facts, and then I'll focus on the provincial perspective.

Kinark is the largest children's mental health organization in Ontario. Our services are divided into three main areas: autism, children's mental health, and youth justice. We run the Syl Apps Youth Centre in Oakville as well as a number of community-based youth justice programs. Our catchment area is the 705 and 905 area codes. As well, we provide clinical services and supports to fly-in First Nations communities in the north at their request when we can find the necessary funding.

Our partnerships are extensive—schools, children's aid societies, daycare centres; the list goes on—because, in fact, although siloed in our funding, children with mental health concerns are with us everywhere.

0930

The number of children and youth in Ontario who need our assistance is staggering. We know that one in five children in Ontario currently struggles with mental health issues, and this is at the point where problems are diagnosable. Only one in six of these children receives treatment. Each of these children and their families needs help. Each of these 533,000 children is surrounded by a classroom, a neighbourhood and a community which are affected by these problems. Based on these statistics, then, most of us in this room are personally impacted, directly or indirectly, by child and youth mental health.

Why, then, do 15- to 24-year-olds have the highest level of unmet mental health needs of any age group in Canada? Why do we deem it acceptable that the leading cause of death among 15- to 18-year-olds, after accidents, is suicide? Why does 80% of the youth incarcerated in our criminal justice system, what Senator Kirby has called the asylums of the 21st century, have a mental health disorder?

Behaviour is the language of children. Children and youth speak to us about their anguish through their action, not words. Parents are silenced by shame and shunned by stigma. This means that we must take up the cause—politicians, community leaders and service providers—for the health and future of our province and, indeed, for kids.

Let me give you a few examples. Tyler was only six when he started closing off from his family, teachers and friends. Between his struggle with schoolwork and his inability to keep up with the other kids, Tyler frequently found himself the object of ridicule and bullying in the playground. "Stupid," "moron" and "idiot" are words he tells us he used to describe himself. Tyler dropped out of school and is unemployed. He has a girlfriend and now a

young son. They are living on social assistance and are having difficulty with parenting.

Had Tyler's unidentified learning disability been diagnosed and had his parents understood the root of his difficulties, Tyler would have received the help he needed to reach his full potential. Instead, his coping mechanisms manifested themselves in temperament and behaviour problems which he has carried into adulthood and, indeed, is passing on to his own son.

The messages children and youth are trying to convey too often are misinterpreted and cast aside as bad behaviour and laziness. "Better to be bad than mad," as one youth has told us. Stigma prevents parents from realizing or acting on the early red flags.

When a youth with an untreated mental health problem commits a crime within the community, a game of dominos begins. Matthew was sexually abused as a young boy by an adult in the neighbourhood. He was afraid to talk about the trauma and became isolated at home and at school. As an adolescent, he gravitated to peers who would accept him, a loose gang that was involved in petty crimes. When Matthew was apprehended after one incident, his long career in the youth justice system began, from probation to open custody and then, because of his uncontrollable behaviours, to custody in a secure facility.

The Vice-Chair (Mrs. Laura Albanese): Ten seconds left.

Mr. Peter Moore: How many? Sorry?

The Vice-Chair (Mrs. Laura Albanese): Ten. You could go to your conclusion at this point.

Mr. Peter Moore: All right. Sorry.

The average cost of treating children's mental health problems in community-based agencies is $2,500 per year. The cost of incarcerating a youth through the juvenile justice system is $90,000 per year. The cost of a pediatric hospital bed is more than $900,000—$2,500 in a community setting, $90,000 in a youth justice bed, $900,000 in a hospital bed. Early intervention is the key.

Minister Duncan has asked how we can work together to provide better public services and build a stronger economy for the people of Ontario. I've talked to you about personal and social costs, but the math is simple, too. Every $1 spent in mental health and addiction treatment saves $7 in further health costs and $30 in productivity. The government has identified health care and education among its priorities. Once again, let me emphasize that children's mental health is embedded but not funded within these systems.

The Vice-Chair (Mrs. Laura Albanese): I'm sorry; I probably am in error and not you. You still have four minutes.

Mr. Peter Moore: Okay. We read it to ourselves, and I thought—

Ms. Tracy Folkes Hanson: We thought we were well-timed.

The Vice-Chair (Mrs. Laura Albanese): Sorry about that.

Mr. Peter Moore: We hear mention of the importance of mental health in separate but often unconnected task forces and reports; the poverty agenda and the roots of violence are two that come to mind. The all-party Select Committee on Mental Health and Addictions sends a promising signal that all politicians appreciate the urgency of the issues. So what are we to do while the reports are tabled and the select committee deliberates?

I think there is a lot of work that we as a sector must do. Children's mental health must become more accessible to those it serves and better integrated with education and public health. We need a better continuum of services—from prevention to early intervention to tertiary treatment through the lifespan, from infancy through adolescence and transitioning into adulthood. This is work that we as bureaucrats and service providers must attend to for the best use of scarce resources.

Ministries and service providers have taken some steps. The autism school support program and the student support leadership initiative were both developed to address improved service relationships: easier access for children, youth and their parents and, at the end of the day, better outcomes. We know that with job loss, dislocation and family stress, demands for mental health services for children and youth increase, but we cannot address immediate needs or accomplish innovative solutions for the future while the service system disintegrates.

At the end of 2008, the Auditor General's report said: "Core funding for children's mental health services across the province has been eroded for the past decade. As there has historically been little or no annual funding increase for the agencies' core programs over the last 10 years, the agencies have had considerable difficulty in maintaining their ... services. This erosion of funding amounts to reduced services for children needing mental health support, in particular prevention and early-intervention programs designed to reach children before their mental health issues are severe...."

A lack of adequate funding in the children's mental health sector will cause a critical shortage of mental health professionals who specialize in treating children and youth. This shortage increases wait lists and depletes Ontario of the expertise it requires for any kind of transformed mental health system of care in the future. We know that treatment works; evidence-based prevention and early intervention programs are effective, leading to improved academic progress, social development, behaviour and mental well-being. Mental health is as important as physical health, so in this unstable economy we need cost-effective programs which can intervene early, providing the right amount of support at the right time in the most cost-effective manner possible.

We recognize you have many pressures to protect public services in Ontario. We urge you to recognize the children and youth struggling with mental health, those who truly need your support especially in these times of uncertainty. Our children may be only 25% of our population but they are indeed 100% of our future and this is an investment we cannot afford to squander.

Thanks for your time.

The Vice-Chair (Mrs. Laura Albanese): Thank you. I apologize for that error. I will now turn to Mr. Arthurs for questioning.

Mr. Wayne Arthurs: Peter and Tracy, thank you both for being here. Our Chair is being really efficient this morning. I must say when she gave you 15 seconds I thought, "The presentation was engaging; time flew." I was prepared in the time we have available to allocate it to you to continue your presentation, but I'm glad you got the time that was available.

I sort of wish this morning that Kevin Flynn was here, the member from Oakville, who is chairing the select committee. He will hear much of this, but also because of his direct engagement on the file, more directly on the issue of children's mental health, and on mental health and addictions, broadly.

You gave a couple of examples of individuals and their experience. You're making a compelling case for early intervention from the standpoint of providing care, but also avoiding downstream costs.

Mr. Peter Moore: Exactly.

Mr. Wayne Arthurs: You made some reference in your submission—I don't know whether you verbalized it or just in the written submission—to some of the cost differentials to do a variety of things, everything from early treatment at a price point, to incarceration, through to pediatric hospital care.

Do you want to comment a little more on those? I'd like to have a little more on the record about what those cost differentials are, how you see them and how effective they are with early investment in intervention, both from the standpoint of care but from the standpoint, for the purposes of this committee as well, of the fiscal impacts that occur, either from these various scenarios or the downstream costs that the public is going to endure.

Mr. Peter Moore: Yes, thank you. As I said in my presentation, it's $2,500 per year per child for community-based care, so that would be early intervention and prevention; $90,000 for a youth justice bed in a facility; $900,000 for a pediatric bed. So that really has to do with exactly what you said, that at the time of intervention, we can serve a number of kids.

0940

There are parenting programs where we can do a population-based approach. In our presentation to the select committee, we talked about the economies of a population-based approach. If you provide parenting programs and you have the knowledge to intervene early, when kids start to show behaviours that are different than others, then you save all that money. The issue is both being able to allocate—if you have kids who are threatening suicide, you have to address that. Then you have the problem of all of the money going to tertiary care for the really critical situations and no money being available for early intervention and prevention, so we need a system that realizes the importance of early intervention both from cost and the social costs.

Mr. Wayne Arthurs: You made the comment as well, and I didn't get it exactly, but the idea of the youth being bad rather than getting mad, something to that extent; it's easier to be bad, sometimes, than to get mad—and the cost related to the judicial system and the youth justice system?

Mr. Peter Moore: Right. At Syl Apps, we see the youth who are really at the end of their rope. They're the ones who need to be in a secure facility because they're a danger to themselves or to others. When we dig underneath their behaviour and start talking to them about what the issues are, we see complex mental health problems. If they get a relationship with their counsellor, they'll say, "Well, my parents wouldn't allow me to have emotional problems."

They're not always that articulate, but it's easier to act out the problems than to confront them, and it's compounded by the shame, the stigma and the discrimination that we're all trying to alleviate in our communities.

Mr. Wayne Arthurs: Let me just thank you for the work that you do generally and for the work of the adults working across Ontario, particularly with young people with mental health issues, not just the north, but Kinark in particular.

Mr. Peter Moore: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee this morning.

ONTARIO CHAMBER OF COMMERCE

The Vice-Chair (Mrs. Laura Albanese): I'll now call on the Ontario Chamber of Commerce. Please come forward. I think you've heard this before: You'll have 10 minutes for your presentation. If you could please identify yourself before you begin. I invite you to begin at any time you feel ready.

Mr. Stuart Johnston: Good morning.

The Vice-Chair (Mrs. Laura Albanese): Good morning.

Mr. Peter Shurman: On a point of order, Chair: Could we get a little more volume here so we can hear what these people are saying?

The Vice-Chair (Mrs. Laura Albanese): Could you please put up the volume? Thank you.

Mr. Stuart Johnston: I've never been accused of speaking quietly, so this should help too.

Good morning. I'm Stuart Johnston. I'm the vice-president of policy and government relations at the Ontario Chamber of Commerce. Thank you very much for this opportunity to express our members' views on this 2010 provincial budget.

Our organization represents some 60,000 businesses across Ontario through a network of 160 local chambers of commerce and boards of trade. We do not represent one particular business sector, but rather the collective and cumulative views of business in this province.

Our mission is to research and promote important policy issues that serve to bring economic renewal and business competitiveness back to the province. Our key priorities are policies that focus on a competitive tax and regulatory regime, a skilled workforce, modernizing

energy and infrastructure, and those that assist Ontario to transition to the new economy.

Difficult decisions lay ahead for the government as it prepares for this budget. We have emerged from the worst economic downturn since the Great Depression, and lower demand for Ontario goods has resulted in lower sales for Ontario companies, meaning smaller profits, fewer jobs and ultimately, lower government revenues.

On the flip side, higher unemployment and lower economic activity have compelled governments around the world, including here in Ontario, to stimulate the economy through increased government spending. And we, as a society, had given our governments tacit approval to do such a thing. Of course, this resulted in a large gap between government revenues and expenditures, leaving governments, like their private sector partners, with difficult decisions.

Like any home or business that must balance its books, the government must make prudent decisions about where dollars are spent based on realistic projections of the money that can be expected to come in.

In preparation for our budget submission, we gathered input from across our membership through surveys and round table discussions in communities throughout Ontario. In addition, our grassroots membership has input into the policies that govern our thinking each year.

This research has generated a lot of good news. For one thing, Ontario business confidence for the next 12 months has surged back to almost 2007 levels. Fully 60% of our respondents expect better performance this year than last. And what's more, they intend to invest in hiring new staff, expanding their businesses, and increasing their capital investments. This is great news for the economy.

There also seems to be a consensus among our members on the priorities they expect of their government as it embarks on the difficult decisions ahead, and I've boiled this down today into a few key points.

Let's start with the revenue side of the equation.

Our government must take measures to stimulate more economic activity. Just last week, in his State of the Union address, to great applause from both sides of the chamber, President Obama stated that the true engine of job creation will always be America's businesses, but government can create the conditions necessary for business to expand and hire more workers. It's no different here in this country, as I'm sure you'll all agree.

The tax reforms announced in last spring's budget will go a long way to creating an environment more conducive to job creation and business investment. The harmonization of the retail sales tax with the federal GST, as well as the reductions in business and personal tax rates, are measures long called for by our members as part of a smarter taxation package. These reforms will go a long way to reduce the corporate tax burden, improving business competitiveness, which will lead to greater investment, the creation of more jobs and higher government revenues. It is vital that the government stay the course on these reforms and, where possible, accelerate their implementation and further reduce the personal and business taxes as a way to stimulate the economy—and we underlined "where possible." The higher government revenues that come from increased economic activity will be critical to a government facing a $25-billion deficit.

The second way to create a more competitive business climate, and therefore more business investment and stronger government revenues, comes in the form of smarter regulation and less red tape. We cannot underscore this issue enough. Businesses across Ontario continue to cite regulatory costs as their greatest impediment, and a dollar spent managing red tape is a dollar less for investment or hiring new people.

Promising announcements like the Open for Business strategy and the twice-annual effective dates policy in 2009 signalled to our members that improvement was on the way, yet progress seems to have stalled.

Businesses in Ontario understand the need for regulations, but they expect smart regulations that are properly implemented. Let me give you a real-life example.

A small automotive repair shop owner in southern Ontario has been in business for nearly 40 years. He has employed and trained many mechanics over his career and, in total, has paid millions in taxes. Moreover, not once has he had a claim with the WSIB or violated safety regulations. He has a clean record with the Ministry of Labour. However, just days before this Christmas holiday break, a ministry official asked him how many employees he has. He replied that he had four, but said that his spouse comes in once a month or so just to do the books for him. The official indicated that because he now has more than five employees working on the premises, when you include his wife, it vaults his business into a different category which requires adherence to more regulations—an arbitrary number not based on the realities of this particular business. He's now required to have employees elect a safety officer, whom he must train at his own expense, and maintain their certification. The business owner is now subjected to much greater expenses, all because his wife comes in once a month to do the books. This was the regulatory straw that broke his back and ultimately why he's shutting his business. It's not the only reason, but it's compounding the reasons why he's finally having to close his doors.

Smart regulations, according to this business owner, would not impose this burden on him. Smart regulations would not impede business investment. They would stimulate economic activity and, as a result, government revenues.

Now to the expense side of the equation.

Our members have overwhelmingly agreed that the government must reduce the size of government and its overall spending and dramatically transform its fiscal planning to work towards planned, efficient spending. In short, our members are concerned about the affordability of government at all levels of government.

In fact, stimulus spending and reduced tax revenues aside, Ontario has long been spending beyond its means.

Overall spending by the Ontario government has outpaced economic growth since 2001. While it should be acknowledged that spending, excluding stimulus funds, began to decline last year, which was a good trend, much more needs to be done. A commitment to keeping spending growth at or below the same rate as the economy will be a significant and welcome achievement, albeit a challenging one, we admit.

Government expenditures cannot be addressed without looking at the elephant in the room: health care. As you know, this is the single largest cost to government and growing at a significant pace. It simply cannot be excluded with regard to spending restraints or cost efficiencies.

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We recommend that the government first conduct an actuarial analysis of health care expenditures, similar to what is done in regard to the Canada pension plan, for example, and something that has yet to be done for health care in Ontario. This would provide much-needed predictability, transparency and accountability, and provide a window to long-term planning. This is as a start in your approach to health care.

The same philosophy should be applied to transportation and infrastructure planning as well. The Quebec-Ontario gateway, we understand, is currently conducting a goods movement study, or will be shortly. Using the results of this study, we believe that a 30-year transportation plan must be developed that will include short-, medium- and long-term planning and investment objectives. Modernizing our transportation and infrastructure is a priority of the OCC membership. Therefore, we're suggesting that government plan for a generation ahead and not just for a few years.

And finally, smarter, more efficient spending must be applied to all programs across the broader public sector. We are suggesting a mandated competitive bidding process for government services across the broader public sector which allows bids from both the public and private sectors. The OCC believes government should support competition in the marketplace for the delivery of publicly funded services, both provincial and municipal. Taxpayers expect value for money, and we believe that a competitive bidding process will ensure services are being delivered in an efficient and cost-effective way and by the appropriate sector. Opportunities for greater value for money exist in areas like health care, waste diversion and pickup, permit and licence registrations and processing, support programs for businesses and individuals, and so much more.

As I stated earlier, our members are concerned about the affordability of government. Government is no different than any household or business here in Ontario. Our members expect a return to balanced books, and a stronger focus on long-term debt reduction as well.

By stimulating economic activity through tax reforms and less red tape, greater government revenues will be generated. And by taking steps to curb spending growth and better plan for expenditures, made more efficient through greater transparency and competition, the government will be better able to manage its expenses.

Thank you very much for this opportunity, and I welcome any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your submission. This round will go to the official opposition.

Mr. Norm Miller: Thank you, Stuart, for your presentation today. There are certainly lots of things we'd like to ask you questions about, and I'm sure we'll run out of time to ask them.

I'll start with your emphasis on red tape and regulations being a concern of your members. Certainly, we've heard that from other presenters, whether it's the non-profit sector—we just had one where they were talking about new rules causing cost increases. You talked about the need for smart regulations.

It's my feeling, in meeting with people in my riding, that most businesses want to comply with the rules, but they're overwhelmed by even knowing what the rules are, necessarily. The government needs to simplify the rules, they need to communicate them better, and then they need to assist business in terms of complying with the rules, not just always being the police coming in and telling the business owner that they've broken the rules.

Would you agree with that? Do you think there needs to be a change in the way the rules are applied? You were talking about smarter regulations. Is that the kind of thing you're talking about?

Mr. Stuart Johnston: Our members have said that consistently over many, many years, and the situation never seems to change. The Open for Business initiative, the red tape secretariat in the 1990s, the twice-yearly posting of regs that are going to be in effect this year and beyond are all very good, but the momentum always seems to die on these initiatives.

Mr. Norm Miller: My feeling is that it's got to start at the top. I'm sincere in that. I believe it has to come from the Premier's office and it has to be about a whole attitude change in government to get the civil servants who are enforcing the regulations to actually try to assist business. I think your members want to comply with the regulations; they're not out to break the rules.

Mr. Stuart Johnston: Our members are frustrated. From what we heard from our members, everyone has a responsibility to approach this. I haven't heard yet that it's the Premier or it's this particular minister or it's this particular bureaucrat. It's consistent across the board. The attitude, as you say, needs to change to adopt a more customer-service-friendly attitude, but I think it behooves everybody in government and the public sector to approach it in the same way.

Mr. Norm Miller: I know my colleagues have questions. How much time do I have left? Probably not much.

The Vice-Chair (Mrs. Laura Albanese): You still have two and a half minutes.

Mr. Norm Miller: Okay. I will just ask one more question. The restaurant, hotel and motel association brought up—one of their requests was to raise the threshold on EHT, which I gather is a payroll tax, the employer health tax, from $400,000 to $1 million, because they say

more of their members are being caught by it. Is that something that you think makes sense?

Mr. Stuart Johnston: That particular issue has not come across my desk from our members, so I'll just bow to the expertise of the restaurant association.

Mr. Norm Miller: Okay. I know my colleagues want to ask questions.

Mr. Toby Barrett: Thank you to the Ontario chamber for presenting. You mentioned Obama's State of the Union address last week, and, regrettably, Obama also reintroduced the concept of "buy America." These are provisions that I consider very bad news for Ontario and certainly for the steel industry down my way at Nanticoke. I consider this protectionism, and I know there are ongoing discussions to try and achieve an exemption for Canada from this, given the fact that our trade and business is so inextricably linked with the United States. Is the Ontario chamber or your federal counterpart helping Ottawa in these discussions or providing arguments?

Mr. Stuart Johnston: Yes, absolutely. We're knee-deep in this issue. We're working with the Canadian chamber, Canadian Manufacturers and Exporters, IE Canada. There are a number of associations working with the federal government, and we are engaging our friends in the US on this issue as well, so we're very much engaged in this particular issue.

Mr. Toby Barrett: Does it lie much with—and I know a lot of this is really Canada-US, but does it involve persuasion or explanation? Or is it a trade challenge, that we have to down that road—

Mr. Stuart Johnston: Well, frankly, our members are saying that we don't want to play tit for tat here. To use the cliché, it's a slippery slope. We need to continue to demonstrate to our American friends that our business is their business, and vice versa. We're such an integrated economy that any protectionism that they may implement will actually hurt American jobs as well as Canadian jobs.

Mr. Toby Barrett: No question. Thank you.

Mr. Stuart Johnston: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation this morning.

GS1 CANADA

The Vice-Chair (Mrs. Laura Albanese): I would now invite GS1 Canada to come forward. Good morning. You will have 10 minutes for your presentation, and that will be followed by five minutes of questioning, this time from Mr. Prue of the NDP.

Ms. Alicia Duval: Good morning, everyone. My name is Alicia Duval. I'm the senior vice-president of health care, pharmacy and public affairs for GS1 Canada. I do appreciate the opportunity to speak with all of you today.

As you are all well aware, health care funding in Ontario is expected to be over 50% of the provincial budget by 2013. There is widespread agreement that health care delivery costs are quickly outpacing government funding capacity. I'm here to tell you today that you can save $300 million and improve patient safety at the same time.

A continued focus by this government on driving effective supply chain management in health care will minimize costs and improve patient care delivery.

Ontario has already taken a leadership position to invest in achieving these outcomes through the support of the Canadian supply chain standards project, and I'm going to tell you today about the significance of this forward thinking in moving forward.

As you may know, GS1 Canada is Canada's national, not-for-profit member organization of GS1, the world's leading supply chain standards organization. GS1 develops global supply chain standards, such as the bar code, which are used by over one million organizations worldwide with over five billion business transactions done each year. When you're at the grocery store next time and you hear the beep at the cash register, you can think about this conversation knowing that the bar code on that product is a GS1 standard, and our electronic commerce standards help the industry so that computer understands what that bar code means to facilitate business efficiency within Canada and around the globe.

GS1 Canada membership includes over 10,000 organizations across all regions of Canada in over 20 sectors, including health care, pharmacy and manufacturing. In 2008, the Ontario government invested in the GS1 Canada-led Canadian health care supply chain standards project. This project has brought together key health care stakeholders from both Ontario and all of Canada to drive the adoption of electronic supply chain standards such as barcoding of pharmaceuticals and enabling electronic ordering and invoicing using this data.

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Health care stakeholders working with us on this project have come to the table for reasons such as the fact that upwards of 70% of paperwork, from purchase orders to payment, has errors that require manual intervention to fix. Other stakeholders have noted practices such as manually relabelling product when it comes into hospitals to fit internal proprietary processes. These practices are considered unacceptable in other sectors because of the unnecessary resources, both financial and human, they demand. Could you imagine if a grocery store, when it received its products in the back door, took time and human resource effort to relabel each of its products? That would not happen, yet it does happen in our health care system today.

The Canadian health care supply chain standards project is fixing this problem and enabling a sustainable and interoperable supply chain within Ontario and across the country. Without the foresight of the Ontario government and its subsequent support, this progress would have taken years to achieve. GS1 Canada encourages the government to seize upon the momentum generated by this initial investment to continue to build the framework for achieving sustainable health care in Ontario. This initial investment was confirmed through the Ontario Buys initiative.

There is a clear opportunity for Ontario's health care institutions to capitalize on the significant benefits of global supply chain standards to achieve cost efficiencies, enhance staff productivity and improve patient safety.

To give you some examples of how global standards impact health care costs, the Public Health Agency of Canada has recently quantified the benefits of identifying Canadian vaccines with standards-based barcoding and has estimated $900 million in savings over 20 years. Outside of Canada, countries like the UK and India have integrated GS1 standards such as the bar code into their policies and practices. The GS1 system of standards was used in Ireland to manage products for hemophiliac patients from the point of the hospital to the patient's home. In the first year, the equivalent of $7.5 million Canadian worth of hemophiliac medicine was removed from the supply chain, product wastage dropped from $135,000 to zero and documentation errors went from 12 to zero.

In another example, a GS1 UK Nursing Times survey found that a third of nurses in the National Health Service waste up to two hours per shift looking for missing medical equipment. This means 40 hours a month and the equivalent of $1.5 billion Canadian in wages are spent looking for missing pumps, drips and wheelchairs. The survey confirmed that GS1 identification standards would help correct this lost productivity.

But beyond dollars and cents, global standards save lives. A simple bar code on a patient's wristband improves patient safety by reducing risk and medical mishaps, facilitating the match of medication and/or procedure with the patient.

Early adopters around the world have seen medical errors reduced in staggering ranges of 60% to 80% when automatic identification is applied. The significant safety implications have not been lost on Canada's patient safety authorities. The Institute for Safe Medication Practices Canada and the Canadian Patient Safety Institute have jointly endorsed and adopted GS1 global standards for automatic identification of medication in Canada. In fact, tomorrow there will be a press conference and an official announcement of their intent to support GS1 standards through the Canadian Pharmaceutical Bar Coding Project.

In Topeka, Kansas, the VA Medical Center reduced medication error rates by 86% over a nine-year period. These results are so important that industry is advancing them to governments worldwide as an indication of the need for industry-wide adoption of global standards in the health care supply chain. I am here today to confirm that the focus on standardization of the health care supply chain is consistent with this government's current priorities and also aligns with activity being taken in the health care sector around the world.

Committee members, GS1 Canada applauds the government of Ontario for its leadership in driving efficiencies and cost savings across the health care sector through its involvement in phase 1 of the Canadian health care supply chain standards project. I would like to stress the critical importance of continued focus on supply chain efficiencies in health care so that GS1 Canada and the Ontario health care sector can continue this important work and deliver the benefits to you and all Ontarians. The world is moving in this direction, and the government of Ontario has already been at the forefront.

I thank you for this opportunity and welcome any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. Mr. Prue.

Mr. Michael Prue: You haven't asked the government for anything here. You just want the government to continue doing business with you? Is that what this presentation is about?

Ms. Alicia Duval: We actually have asked the government. Through the Ministry of Finance and the Ontario Buys program, they funded and supported phase 1. We are now implementing phase 2, which is focused on the implementation of the standards that were developed in phase 1. So we have an active proposal with Ontario Buys at this point.

Mr. Michael Prue: What are you asking the committee to recommend?

Ms. Alicia Duval: We're asking the committee to recommend that the whole issue of policy, as well as supporting decisions that are made within the health care sector, support and consider standardization in the process. We are not here to say that health care is not automated and sophisticated; it's just not reaping the benefits to the level of other industries or what the potential is for health care because it's all done on proprietary structures.

The health care system is not based on standards like other sectors, the most common that you're used to being the grocery industry. So when decisions are being made about investments and back-end systems like ERP systems at the health care level, these are critical steps of driving those efficiencies as long as they adopt standards when they implement. That is the trend that we're starting to see now: The health care system—not only within Ontario, but across the country; our board is representative of all the provinces—is saying, "Now is the time that we need to be interoperable within Ontario."

From a budgeting perspective, it's to have an appreciation for the role of standards, the role of automation. We have many different projects that are under way right now. I already mentioned the Public Health Agency; it's about immunization traceability. We make sure we're not double-immunized or bringing on too much inventory that's wasted. They're asking for bar codes and clean data.

We're working with ISMP, who have clearly identified that we need to invest in having bar codes on our patients, and we need to identify product and procedures before they happen so we avoid medical errors. They're asking for things like barcoding and clean data as well.

Everyone is asking for the same information, but for different purposes. Our supply chain standards project—which the Ontario government took a leadership position

on and initially funded 70% of the proposal, and the remaining provinces at the initial mark contributed the remaining 30%—created a program that's really focused on the business side of health care.

Health care brings in. You buy a lot of product, and you could be overbuying or not having product at the right time and putting risk on the patient's life. Through the supply chain standards project, we have been able to get all the stakeholders, meaning hospitals, manufacturers, group purchasing organizations and the solution-providers, working with us at the table to say, "We now need to sing from the same song sheet and adopt standards so we can drive the efficiencies and the cost savings, as well as patient safety."

The ask would be to support the next phase, which is focused on implementation. Like I said, that proposal right now is with the Ontario Buys project.

Mr. Michael Prue: When you were giving your statement, your statement deviated from the text. You said that there were over five billion business transactions each year—

Ms. Alicia Duval: Sorry, each day. That's my faux pas. It's each day. Thank you for catching that.

Mr. Michael Prue: Okay, each day. I was thinking that's not a lot, five billion a year, considering how many people there are in the world. That would come out to about one a year per person. So it is per day.

Ms. Alicia Duval: It's per day.

Mr. Michael Prue: Okay. Those will be my questions. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this morning.

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CO-OPERATIVE HOUSING FEDERATION OF CANADA, ONTARIO REGION

The Vice-Chair (Mrs. Laura Albanese): We'll now invite the Co-operative Housing Federation of Canada, Ontario region, to come forward. Good morning.

Mr. Harvey Cooper: Good morning.

The Vice-Chair (Mrs. Laura Albanese): You will have 10 minutes for your presentation, and that will be followed by up to five minutes of questioning by the government side.

Mr. Harvey Cooper: Thank you. My name is Harvey Cooper. I'm the manager of government relations for the Co-operative Housing Federation of Canada. Unfortunately, our president, Amanda Yetman, is ill and can't be with us this morning.

Thank you for the opportunity to make this pre-budget presentation to the standing committee on behalf of the more than 125,000 residents living in 550 non-profit housing co-operatives across Ontario.

Housing co-operatives are committed to playing a significant role in meeting the affordable housing needs of Ontarians. In our presentation we will focus our remarks on a few critical housing issues and practical suggestions that the Ontario government should consider as it prepares its 2010 budget.

(1) Affordable housing: a fundamental building block for economic recovery. Ontario has a great deal at stake as this budget is crafted. The right choices will stimulate the economy, assist Ontarians, and leave behind a legacy of investments to ensure a sustainable and prosperous future.

It is important to realize that the lack of housing that the workforce can afford is actually a major roadblock to growth and investment in this province. Given the current economic challenges that Ontario faces, it is well documented that the construction of new affordable housing provides significant economic stimulus, creates jobs, has a large multiplier effect, uses locally made materials, and at the end of the day provides a very valuable public asset.

(2) Affordable housing as targeted infrastructure investment: Like transit, highway construction, hospitals, schools, bridges and sewers, affordable housing is a major capital component of Ontario's infrastructure. Queen's Park should recognize this importance by explicitly listing affordable housing, both construction and rehabilitation, as key sectors for infrastructure improvements and ensure that adequate funds are available to meet the need for major renovations and new affordable housing.

(3) Ontario's affordable housing strategy is urgently needed. The 2007 Liberal election platform promised to develop a long-term housing plan that would include a mix of non-profit and co-operative housing. I've provided you with a pamphlet we've produced on that strategy. Unfortunately, since the mid-1990s, a fundamental problem that has led to the current housing crisis in Ontario has been the lack of continuing housing programs. Instead, housing policy has taken an on-again, off-again approach that has offered no certainty as to the government's long-term intentions for housing.

The federal-provincial affordable housing program, launched in the fall of 2001, has always been seen as more of a stopgap measure rather than a long-term vision for housing. This will have to change if Ontario is serious about its commitment to a long-term plan. Our organization has submitted a detailed brief to the province with a number of recommendations on the long-term strategy. I have additional copies of that for any MPPs who may be interested.

Affordable housing should be considered a core community need and therefore a central government program, just like health or education, and that housing program needs to be funded each and every year.

The federal government has been active in the funding of housing programs for many years. Although it no longer delivers programs directly, Ottawa works with the provinces through a number of vehicles, all of which feature capital grants.

To make the case credibly to the federal government that it should continue its historic role in supporting

affordable housing, the province will need to make a clear financial commitment to playing its part.

(4) Building new affordable homes: A key finding of an annual housing report that we co-produce is that over the next 10 years, we need 10,000 to 12,000 additional homes annually. Since 1995 in this province, we have averaged only about 2,000 units a year. The need for more affordable housing is urgent and is growing. According to the December 2009 report of the Provincial Auditor, current municipal social housing waiting lists stand at 137,000 households.

The McGuinty government had a late start in the affordable housing arena in its first term and only began matching federal funding in 2005. According to the Ministry of Municipal Affairs and Housing, as of late fall 2009, about 13,000 new rental, supportive or ownership units had been occupied, were under construction or were in planning approvals.

While any new construction is welcome news, particularly after a gap of almost a decade under the previous provincial government—the Conservative government—the number of new homes built falls well short of what the Liberals promised in their platform in the 2003 election. At that time, they pledged 20,000 affordable units, plus 6,600 supportive units to be constructed in their first term.

A supply program of 8,000 new affordable homes per year would be a reasonable target for the province to budget for and achieve. Co-operative and other forms of non-profit housing are a best buy for the province. These models have a proven track record of providing a supply of permanently affordable housing, and creating stable, mixed-income communities throughout Ontario. Unfortunately, the way the current affordable housing program is structured, co-operatives have been largely shut out.

(5) Housing that is affordable: While we have a shortage of affordable units in Ontario, we also have a growing affordability problem for many, many households. Shelter costs constitute the largest regular expense for most families and individuals. The province's recent poverty reduction strategy acknowledged that housing is a core contributor to exacerbating poverty issues. Excessive housing costs simply crowd out the other necessities of life for many.

The province should ensure that any new housing supply programs penetrate down to levels of affordability for low-income households. The affordable housing program hasn't achieved this. Some of the units are rented at a below-market rate, but rents are not adjusted based on income or for those who most need the housing.

Currently, there is little in the way of housing assistance for the working poor. Lengthy waiting lists and subordination to priority need often preclude access to the many Ontarians who are desperate to find a home they can afford. Recent housing allowance programs have generally been short-lived and narrowly targeted, excluding many in need. One very cost-effective way for the province to increase affordability for qualifying households would be to take advantage of the existing supply of rental units in co-op, non-profit and private sector buildings and offer rent supplements to these landlords.

(6) Protecting existing community-based housing: The long-term viability of much of Ontario's social housing stock, now administered by the municipalities, is at serious risk. Most of these buildings are 40 to 50 years old. The province is to be commended for steps it took in the 2008-09 budget to begin refurbishing our aging social housing infrastructure. The social housing renovation and retrofit program introduced in 2009 provides for $1.2 billion in combined federal and provincial funding over two years. This funding is both welcome and, I will say, extremely significant. However, as valuable as it is, unfortunately, the program provides one-time funding and still will not come up to making up the shortfall or providing a long-term solution. One significant low-cost step the province could take would be to allow co-ops and non-profits to borrow additional funds against their equity for capital repairs. The province should attach some urgency to making changes to give housing providers this borrowing capacity. Mortgages could be extended. Queen's Park could also provide reduced-rate loans for capital repairs through Infrastructure Ontario.

(7) A stand-alone Ministry of Housing: Having a minister with sole responsibilities for housing would play a profound role in moving forward the yardstick for the affordable housing agenda at Queen's Park. Since 1995, the housing portfolio has been combined with the area of municipal affairs, the latter responsibilities dominating the time of the minister. While this has been the case for the past 15 years, it was not always so. Historically, when housing was a key priority in this province, there was a stand-alone Minister of Housing. From the early 1970s to the early 1980s, and from 1985 to 1995, during the Peterson and Rae eras, the province had a full-time Minister of Housing. Not coincidentally, it was during those periods that Ontario made historic strides in building new homes.

In conclusion, co-operative housing in Ontario is a well-documented success story. For almost four decades co-ops have provided good-quality, affordable housing owned and managed by the members who live there. We feel that some of the key housing directions the province should signal in its 2010 budget are clear. Affordable housing construction should figure prominently in Ontario's efforts to revitalize the economy. The province should ensure its housing strategy recognizes affordable housing as a core government program. An effective strategy must also address the need for more units affordability, and build a mix of housing, including co-ops. The urgent need for refurbishment of the deteriorating social housing infrastructure should be addressed. And creating a stand-alone ministry would send a potent signal and significantly improve the province's capacity to move forward on affordable housing.

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We are anxious to roll up our sleeves and work with the government and MPPs of all parties to ensure that every Ontarian has a decent place to call home.

Once again, we want to thank the members of the committee for giving us the opportunity to express our views today.

Interruption.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation.

Before I turn it over to Mr. McNeely, I would like to remind all members and anyone present to please silence their cellphones and other electronic equipment. Thank you.

You can begin your questioning, Mr. McNeely.

Mr. Phil McNeely: Thank you, Mr. Cooper, for making the presentation today. I'm from Ottawa–Orléans and we don't really have a lot of co-operative housing in Orléans, but we have some. One area specifically—the name escapes me now, but I visit there very often—I just like the concept. I think it's a great concept and I think it's been very successful. In that case, it's about 150 units.

I'm just wondering if you might tell me why—I always hear from co-operative housing that it's a concept that is not supported to the right extent that it could solve a good deal of our social housing problems.

Mr. Harvey Cooper: Thanks very much for those comments and that question, Mr. McNeely. We're proud to have two co-ops in your riding of Ottawa–Orléans.

I guess part of the difficulty of why we haven't seen a lot of co-operatives built in the last number of years is the way the current affordable housing program is structured. Without getting into a lot of the details, it's a cost-shared program between all three levels of government. There certainly isn't priority given to building a mix of housing.

I guess the biggest stumbling block and why we don't feel there's a level playing field out there is that the proponents who make application to build new housing under that program are expected to bring some equity to the table as well. So by and large, a lot of the housing that's been built—and there's been some very good-quality affordable housing built under the affordable housing program—is from private developers who can assemble land and frankly have more equity to look at the long term in terms of a return to their investment. Some of the larger municipalities have tended to have their own housing companies develop a number of the units, or some of the perhaps larger private non-profits that are well established have a large number of units and either bring land to the table—some of the church groups do that—or actually have people who they're paying to do a lot of the legwork. That's their form of equity contribution.

In co-operatives' cases, each and every co-op is an independent, community-based corporation. The average size is about 80 units. I think the strength of the model is that it is community-based, small-scale, and each co-op has its own board of directors made up of residents who live there, but we don't have a lot of equity.

What we're asking for under the new program is for the province, particularly as part of a long-term plan, to ensure that a mix of housing is produced. Historically, about one in five units that were developed under previous provincial and federal programs from the early 1970s to the mid-1990s were housing co-ops. We would love to return to those levels.

Mr. Phil McNeely: I was at two long-term affordable housing strategy sessions in Ottawa with Minister Watson and then with Minister Meilleur. We shared those. Did you make presentations there, and what was the reaction you got? I know that the reaction will be in the report, but what was the reaction you got? Because that was one of the areas that we're looking at to find new ideas that work well. While yours is not a new idea, it's an innovative approach to affordable housing.

Mr. Harvey Cooper: I was at that session in Ottawa. It had 300 people—the one with the tent that Mr. Watson held. I attended and our members attended probably proportionally—there were 13 official sessions around the province. We had co-op members out to all of them in great numbers because they're very interested in these issues.

We've made a very detailed submission to the province on this point. We've met with Minister Watson. We look forward to meeting with Minister Bradley, who, by the way, is a strong supporter of affordable housing. There are 12 co-ops in his riding. We look forward to that strategy coming out and ensuring—there's a whole host of things that could be done, one of which is, let's build a mix of housing that serves many different needs, and co-operative housing should be part of that mix. We dearly hope that will be part of the strategy, and I mentioned it as well in the pamphlet we handed out to MPPs this morning.

Any good words that you can put in to the minister and amongst your colleagues in terms of wanting to see a variety of housing produced in your riding and across the province would be very much appreciated.

Mr. Phil McNeely: Thank you very much for that, and those are all my questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation.

HOME OWNERSHIP ALTERNATIVES NON-PROFIT CORPORATION

The Vice-Chair (Mrs. Laura Albanese): I would now call on Home Ownership Alternatives to come forward.

Mr. Joe Deschênes Smith: Good morning.

The Vice-Chair (Mrs. Laura Albanese): Good morning. You will have 10 minutes for your presentation, and if you could, please state your name before you begin for the purposes of our recording Hansard.

Mr. Joe Deschênes Smith: Of course. Thank you. I'm Joe Deschênes Smith. I'm vice-president of partnerships at Home Ownership Alternatives. We're a small, non-profit agency that finances affordable ownership housing developments. I think it's timely that I'm following Harvey's presentation from the co-ops. We don't see ourselves as competition, but as one section of the

continuum of housing that's necessary. Certainly we're very supportive of Harvey's and the co-ops' calls for support for that type of housing. We are also members of BILD, which is the land development industry, and we work closely with them in terms of private and for-profit development.

We fill a niche that we think is very important, working to provide low- and modest-income families, working families, with an opportunity to purchase a home. We do that by financing developments. We've accomplished that with about a dozen projects so far. We also provide those home purchasers with an alternative second mortgage which helps with affordability because it's payment-free until resale of the home. In these times, when a lot of blame is given to the economic situation in the United States and to sub-prime mortgages, we consider ourselves the anti-sub-prime mortgage because we actually lift some of the borrowing burden off families and increase their ability to purchase a home.

One of our main goals is to help middle-class Ontarians, I think most of us here, to own a home. By supporting broader home ownership, you can help meet our province's priorities: job creation, economic stimulus, family equity growth and also poverty reduction. I want to take a moment and list five items that back that up:

(1) Housing construction is demonstrated to have a large economic multiplier effect, and I think that's why the federal and the provincial government both concentrated on that in their last budgets.

(2) Research studies indicate that home ownership can lead to better health and education results.

(3) CMHC has studies showing that owning a home is Canadians' number one asset and that owners can quickly grow their equity in that home; 40% in five years is what one presentation from CMHC demonstrated recently.

(4) Building family equity is an important aspect of the poverty reduction strategy that the province is under¬taking.

(5) Increased home ownership rates for low- and modest-income families can reduce the burden on rental housing programs and also indirectly increase the stock of avail¬able rental housing.I believe that, dollar for dollar, if you look at government investment in affordable ownership housing, it is the cost-effective way for you to broaden access to affordable housing.

I know the committee realizes the importance of housing to Ontarians and the economy. We certainly applaud the province's accommodation of the building industry's concerns around the HST, the extension recently of the affordable housing program and the commitment in the spring to deliver an affordable housing strategy. We did make formal submissions to that strategy and I want to highlight three of the recommendations in that proposal, which is in the package I distributed to you, and for you to consider them for the 2010 budget.

First, in the 2008 budget, the province expanded the mandate of Infrastructure Ontario to include financing for affordable housing. This has been a success. We know from first-hand experience this measure has saved our development in Guelph $1 million in financing costs, resulting in savings for 124 families of over $8,000 per family. We recommend that the province further expand the scope of Infrastructure Ontario financing to support affordable housing. This recommendation will not impact the province's operating budget, which I know is a concern of yours and of all Ontarians.

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Recommendation number 2: The province should set a target for the sale of surplus government land for affordable housing. This recommendation will improve the province's budget position. By setting a definite target, such as selling sites to build 1,000 new affordable housing units at a modest land price of $10,000 a unit, the province could raise $10 million. To support affordable housing, we would recommend that the province provide priority access to that land to non-profits dedicated to affordable housing and provide greater flexibility in the purchasing terms for those lands. There are many potential sites available, including in Seaton, north Oakville, Waterfront Toronto and surplus school board sites located in every town and city across the province.

Our third recommendation that I'd like to highlight for you is for the province to introduce a tax credit for low- and modest-income families to purchase a new home. We recommend tax credit eligibility for all government-imposed charges and fees, such as development charges, building permits etc., that are built into the cost of building a new home. This recommendation will bring greater fairness to the application of those government charges and fees, which are currently paid by all new home purchasers regardless of their income or the house price.

Such a tax credit would benefit lower-income families and help expand the housing market with additional new purchasers. The targeted tax credit for new homes would provide local price thresholds and would encourage developers to build at the low end of the market, where there is the greatest need. And by providing leadership on this issue, the province will increase pressure on the federal government to provide a similar or the same tax credit to build on its own recently introduced credit, which deals with refunding of legal and other costs.

The budget impact of this recommendation, I believe, would be modest. If targeted to families with incomes below $40,000 a year and with appropriate limits on unit price and fees eligibility, I would suggest that 5,000 low- and modest-income home purchasers could receive this one-time support to purchase a home. I estimate the cost would be $8 million. This does not take into account the tax revenue increases resulting from greater construction activity.

I think these three modest recommendations would be either revenue-neutral or positive in terms of the province's budget. They can help you stimulate the econ-

omy and provide new jobs as well as support middle-class families to fulfill their dream of owning a home.

Modest incentives for affordable home ownership offer a "policy sweet spot" for you. There are no new long-term operating costs associated with home ownership. There would be no large capital grants involved in these initiatives. It would leverage the provincial borrowing capacity through Infrastructure Ontario. It would extend our partnership with the building industry to build low-end-of-market housing. And targeted support to low- and modest-income families would help them create equity and reduce the potential for them to enter into poverty.

Thank you for your time and for listening, and I welcome any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission. I would now turn to Mr. Shurman for questions.

Mr. Peter Shurman: Thank you for an interesting presentation. It's refreshing to hear someone come forward and say, "We have an alternative that doesn't have to put a net cost on to the provincial budget, and we'd like some push in terms of things like tax credits that could help us."

I just really want to get on the record and say that I believe that if you think you can do this in this way, on a go-forward basis, that's a good thing, because it does help the bulk of families who are middle class, from the description that you give it, and it does prioritize something that we see as paramount, and that is to address the poverty issue. My perception of the poverty issue is to keep additional families from becoming victims of dropping below the poverty line and losing the homes that they have, so thank you for that presentation.

Mr. Norm Miller: I just have one quick question, if I can. Your one suggestion is to sell surplus government land for affordable housing to non-profits. Have you thought about the way you would go about doing that? Would it be a competitive bidding process? Any suggestions on that?

Mr. Joe Deschênes Smith: In our detailed submission, we go into that a little bit. What I propose is that instead of having the land go to tender early in the process of declaring the land surplus, other levels of government are given the opportunity to say, "Hey, wait. We want to buy that land from you." So if it's surplus Ontario land, the federal or municipal government could purchase it, and vice versa.

What I would say is the province should step in and say, "That site would be good for affordable housing," whether it's their own or other levels of government. Instead of going to tender, let's have a dedicated list of non-profits which have said they would like to purchase that and then use the same transfer mechanism you use between levels of government, and that is to get, I think, two or three independent assessments and then negotiate a price and do it that way.

So you take away the high-pressure tender process. You take away the strength that the for-profit sector has in going into a tender process, which is showing up with a lot of cash and being able to buy them up.

You would have to instruct ORC not to make maximizing revenue on the sale of lands its number one priority. I think you would also have to change the terms of the sales. Normally, now, they look for 100% cash payment within 60 days. When we look to do a development, we usually ask for a vendor-take-back mortgage and maybe pay out, after certain conditions are met, after 12 or 18 months. If ORC would do the same type of thing, it would allow us and our development partners to then purchase those sites with less risk exposure. The province would assume a bit of risk that the sale might not finally go through and they'd have to sell it again later, but I think that's acceptable and it would allow us to get some of those prime sites into affordable housing hands.

Mr. Norm Miller: I know Toby has a question.

Mr. Toby Barrett: Further to using surplus land, you mentioned ORC, hydro land and, I imagine, school board land, for example—although school boards would want to get a maximum return as well, if they're selling off surplus land.

I think of a model in northern Ontario, Elliot Lake, one of the few towns in northern Ontario that's expanding rather than contracting, a town that has a need for housing rather than a surplus of housing. In that case, as I understand it, the municipality is in the business of being a not-for-profit real estate developer. They make arrangements to access crown land, forest land adjacent to Elliot Lake, and play a very large role in developing new subdivisions, if you will, for their modestly growing population.

Have you worked with other municipalities? Are there other models like that? Would that work elsewhere in the north, perhaps?

Mr. Joe Deschênes Smith: Yes. We're building right now—it's under construction in Guelph—on a surplus school board site, which we accessed through a municipality. The municipality, at the time that the school board declared it surplus, said, "No, we will use that site and purchase it from the school board." Then our local developer purchased it at market value from the school board via the municipal intervention, I guess, to protect it for affordable housing. There are 124 townhomes being built there. That's the project where we successfully had Infrastructure Ontario funding come in, saving those families a million dollars in financing costs they would otherwise have had to fund.

We've worked in the Golden Horseshoe—Toronto, Pickering—in the Kitchener-Waterloo-Guelph area, and now we're entering into just south of Ottawa. We haven't done anything in northern Ontario and we've never done anything with respect to crown lands in our past.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Mr. Joe Deschênes Smith: Sorry for going too long.

The Vice-Chair (Mrs. Laura Albanese): Unfortunately, the time has expired. Thank you very much for your presentation this morning.

Mr. Joe Deschênes Smith: Thank you.

CANADIAN UNION
OF PUBLIC EMPLOYEES

The Vice-Chair (Mrs. Laura Albanese): I would now call on the Canadian Union of Public Employees to come forward. Good morning.

Mr. Fred Hahn: Good morning.

The Vice-Chair (Mrs. Laura Albanese): You will have 10 minutes for your presentation. That could be followed by up to five minutes of questioning by Mr. Prue, NDP. If you could please identify yourself before you begin.

Mr. Fred Hahn: Thank you for the opportunity. My name is Fred Hahn. I'm the president of CUPE in Ontario.

CUPE Ontario is the voice of nearly 220,000 public service workers in the province, people who work the front lines in hospitals, municipalities, utilities, long-term-care facilities, social service agencies, schools and universities.

Our main message is that the 2010-11 Ontario provincial budget has to focus on job creation and not succumb to deficit mania.

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There have been fundamental changes in Ontario's economy and our members believe that the government needs to fundamentally change how we approach these kinds of economic challenges. We're not here to ask people to turn back the clock, but we are here to talk about how to respond to challenges in a way that will help the people of Ontario.

It's time to embark on long-term strategic projects that will create the Ontario of the future. That means making strategic investments in creating a green economy, investments in economic recovery based on long-term environmental and socially sustainable goals. Paying down the deficit won't create good jobs, but creating good jobs will pay down the deficit.

We urge the government to fight the recession in this budget. That means focusing on job creation. Ontario's official unemployment rate is something like 9.3%, but the real unemployment rate is closer to 15%. The recession isn't over for most of the people in the province of Ontario, but already alarm bells are ringing about debts and deficit. Corporate profits have started to rebound in the third quarter of 2009, but suddenly we start to hear the cries for a cut to public spending and for bringing the deficit under control. The very people who wanted and needed stimulus spending when profits were down are calling for cuts to public spending now that they begin to see profits again. We must avoid the mistakes of the past. Corporate and individual tax cuts over the last 15 years have severely constrained Ontario's fiscal capacity. The ongoing effects of tax cuts in the 1990s have reduced Ontario's revenue by approximately $15 billion in 2009-10.

When we talk about job creation we need to be clear about green jobs. Green jobs are jobs that contribute to an environmentally and socially sustainable economy in all communities across the province. They're good jobs that have decent pay, benefits and pensions, and they are in traditional and new occupations. They're supported by education, training and child care services.

Investments in energy efficiency create the most jobs and result in the greatest amount of greenhouse gas emission reduction for the dollars spent; it's the biggest bang for our collective buck. In 2010-11, the budget needs to kick-start projects to retrofit the province's own buildings and facilities and to provide funding for municipalities, universities, social service agencies and health care facilities to do the same.

The second most effective investment in green jobs to create jobs and to reduce greenhouse gases comes through investment in transit. We believe that the government must overturn Metrolinx's plans to build transit through expensive and unaccountable public-private partnerships.

The Green Energy Act creates tremendous opportunities for local distribution utilities to partner with municipalities and hospitals and many other public facilities. It's important to point out here that the benefits of renewable energy must go to the public good, not only to increase profits for the private sector.

Finally, Ontario must oppose interprovincial and international trade agreements that would limit our collective capacity to require or encourage local sourcing or hiring, which is good for local economies.

Along with the predictable call to cut government spending come calls for the privatization of critical public services and the sale of valuable and important public assets. Asking CIBC World Markets and Goldman Sachs to determine the value of public assets and advise on whether they should be sold is like asking the fox what we should do with the hens. There's no doubt that those who contributed to the financial crisis that we're in as a province will recommend more of the same medicine that got us sick in the first place. The answer to the recession is not to sell off public assets but to use the revenues they provide in order to provide Ontarians with the public services they need. The Highway 407 saga shows us that selling off assets in order to shore up short-term deficits is not sustainable. Fire sales of assets may enable governments to post budgets that look balanced on paper, but they do nothing to increase our capacity to serve the people of Ontario. Not only do public services meet badly needed community and social needs, but they also deliver the strongest possible economic stimulus.

In our submission, we have a chart that clearly documents the effects of investments versus those of tax cuts. For every $1 billion of public investment in social infrastructure like health care, education and social services, there's a two to three times creation of jobs and positive impact to the economy, as opposed to tax cuts. Our research data and much more is included in our written submission. We're no further ahead if, after stimulus spending, there's some job creation in the private sector but we lose jobs in the public sector.

The vilification of public sector workers only creates an atmosphere of fear. It divides the people of the

province. We need to be pulling together at this economic time. Public sector jobs, the wealth they create in communities and the economic backbone they form in many communities are part of the solution, not the problem.

In health care, hospitals are cutting beds; some are being shut down, and patients will suffer. The real need and focus needs to be on patient care, not on funding management infrastructures like LHINs or on P3 projects. Long-term-care funding needs to be carefully studied and increased. We have an aging population, and we can free up hospital beds now taken by people who have more acute needs.

Child welfare, mental health services and child care are on the verge of a crisis, but they're too important as poverty-fighting measures. It has been documented many times that children's social services are the first and best defence for children and their families in the struggle against poverty.

Core funding to post-secondary education is critical in an economic downturn, especially when many people are trying to retrain or upgrade their skills and qualifications. The government must use post-secondary education as a lever of economic change rather than encouraging privatization or increasing tuition fees. Our aim should be free tuition for post-secondary education.

Municipalities aren't able to fund the services they need for their residents. Social services costs, as an example, will climb dramatically this year, but only 3% have been uploaded. This leaves municipalities in the lurch.

School boards are facing many challenges, including declining enrolment. This has to be addressed comprehensively, but the government needs to work with local school boards to think about how public assets in schools and property can be converted to the public good—for community centres, job retraining centres, etc.

The 2010-11 Ontario budget has to be about jobs. I said it before; I'm going to repeat it: Paying down the deficit won't create good jobs, but creating jobs that will put money into the economy of this province will pay down the deficit.

I want to close by talking about an example of the early learning program that is a good example of a long-term public investment being proposed by the government. Once this program is fully implemented, there will be clear economic and social benefits. But there are also negative impacts, depending on the how the rollout of the early learning program will progress. Taking four- and five-year-olds out of municipal and community-based centres means that they're at a real risk of losing spaces in communities that need them the most.

I want to talk to you about Windsor, because just last night, after hearing from hundreds of citizens opposed to a plan to close seven municipal centres, the municipal councillors there voted to do just that. City government has said clearly that one of the reasons they can propose this massive change for the people of their city is the implementation of the early learning program. The Pascal report, which called for the implementation of this program, clearly proposed stabilization funding for municipalities, and that's yet to be announced. What that means is that municipal governments are left in the lurch and families that need child care more than ever in order to participate and get back into the economy are left without services.

This is an example of a bad and likely unintended consequence that can occur when fears over public investment hamstring our collective ability to do what we know we need to do for families in the province of Ontario.

The Vice-Chair (Mrs. Laura Albanese): Forty-five seconds left.

Mr. Fred Hahn: Our union wants to work on long-term strategic planning with the government, and we know that means we can't be engaged in quick fixes.

I want to thank the standing committee for the opportunity to present our suggestions for this year's budget.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I will now turn it over to Mr. Prue for questions.

Mr. Michael Prue: Thank you. What's happening in Windsor is disturbing,. How many child care spaces is the city council proposing to shut down?

Mr. Fred Hahn: There are seven municipal centres all across the city. I'm not sure of the actual numbers, but the devastation will be large because those centres are critically important and they serve children who often cannot be served in other parts of the community—in some of the not-for-profits, even—because of issues of ratio and funding. There are issues of subsidies for low-income parents and parents who are trying to be retrained in order to go back to work. In a community like Windsor, which has been devastated in the current financial climate that we're in, it's absolutely a devastating potential loss.

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Mr. Michael Prue: I just want to get this clear. Because the province is proceeding with all-day kindergarten, then the city is about to lose or will lose all of its daycare spaces or most of its daycare spaces. So the parents will be no better off, and they'll be way worse off if they have two- and three- and four-year-olds.

Mr. Fred Hahn: The municipal government is cited for part of the reason why they're doing this, why they're proposing the implementation of the early learning program. We think that's a bad, unintended outcome. The reality is, what that municipality and other municipalities need is clear direction from the government that there will be stabilization funding for those spaces that municipalities operate and that, as we transition to this very good program that will expand care for kids who are four and five, families with kids under the age of four won't lose spaces in communities. That's what is needed.

Mr. Michael Prue: That's what is needed. Okay.

Secondly, because I've only got five minutes here, you talked about CIBC, that the hen among the chickens is going to recommend how much to sell our asset for: the

Liquor Control Board, Ontario Lottery and Gaming, Ontario Power Generation, Hydro One, all those things.

We had a presentation yesterday that, in order for this to make financial sense to the government, those assets would have to be at a minimum sold for $72 billion. Because of the amount of revenue they bring in, that's the kind of sale that we could put back into bonds at 4% or 5% to get the same revenue.

What are you afraid the CIBC is going to recommend? A fire sale, like the 407?

Mr. Fred Hahn: The reality is that there is money to be made on these assets. From our perspective, what the government needs to do is have every economic lever at its disposal in order to deal with the economic crisis that Ontarians are dealing with. Why we would sell assets that actually produce revenue for the government seems unconscionable to our members.

The reality is that the private sector is there to make money. That's their goal; it doesn't have to be a good goal or a bad goal. It's about profit for them. What the government needs to be doing is thinking about how we create collective revenue in order to make strategic long-term investments that will actually help the province and help the people of the province. Selling these kinds of things, even for that kind of money, if it were possible—and it's not clear that it would be—still diminishes the impact or the ability of government to have ongoing revenue from these vital services that, frankly, the people of the province already own collectively.

Mr. Michael Prue: The Liquour Control Board alone brings in $3 billion or $4 billion a year in profit, notwithstanding all the other good things that it does. You're saying that we can't do without that profit in the future.

Mr. Fred Hahn: We need revenue. The government needs revenue in order to conduct services, in order to make the kinds of investments we need to make in communities. Why it would sell assets that produce revenue for the government—just in common, everyday speaking; we're talking to people every day, to our members in communities across the province—doesn't make sense to anyone.

Mr. Michael Prue: There has been some debate around OLG—because, I think, it's been so poorly managed by the government—that this is a prime asset to sell off, because of some of the things that have happened in the past year. Do you share that this is a corporation that should be sold off?

Mr. Fred Hahn: If there are issues about the management of public assets, then it's the government's responsibility to deal with those issues. Again, this is an important economic lever that generates revenue. That revenue is important; revenue for the government to be able to have access to and to be able to control.

Mr. Michael Prue: You went on to talk—one minute?

The Vice-Chair (Mrs. Laura Albanese): Twenty seconds.

Mr. Michael Prue: Oh. I don't think there's anything else. All I can say is thank you very much for your passionate presentation.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before our committee.

Mr. Fred Hahn: Thanks.

GREATER TORONTO HOTEL ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We now call on the Greater Toronto Hotel Association to come forward. Good morning. As you heard, you will have 10 minutes for your presentation. Please identify yourself before you begin presenting. After that, there will be up to five minutes of questioning. The next rotation will go to the government side. You may begin.

Mr. Terry Mundell: Thank you very much, Madam Vice-Chair and members of the committee. My name is Terry Mundell and I am the president and CEO of the Greater Toronto Hotel Association. The GTHA is the voice of Toronto's hotel industry. We represent about 171 hotels, with approximately 34,000 guest rooms, 32,000 employees, and we actually host over 25 million visitors to the greater Toronto area a year.

It's a pleasure for me to be here this morning in front of the committee to present some recommendations for the 2010-11 provincial budget. Prior to providing our recommendations, I want to first frame the current global economic conditions and provide some perspective on the future economic opportunity for the travel and tourism industry for the greater Toronto area and Ontario.

After four years of worldwide growth averaging 3.6%, the World Travel and Tourism Council estimates that the travel and tourism economy's GDP contracted by 5.5% in 2009. Travel and tourism's contribution to the global GDP will fall to 9.3% from 9.6%.

Research conducted on the top 28 cities in North America reflects Toronto remaining in 10th position overall, at an average occupancy rate of 62.3%, down by 7.8% from 67.6% in 2008, and our daily rate reduced by 10%. Revenue per available room, or RevPAR, the standard by which the industry's business is measured, reports that Toronto ranks 13th in the top-28-city report, with a reduction in RevPAR of 17.1%, slightly above the Canadian average reduction of 12.4%. The report notes RevPAR reduction in New York City at the high end, at 26.3%, to the low end of 8.5% in Washington, with the United States averaging a 16.7% reduction. Vancouver, an interesting case study with the Olympics coming up shortly and all the activity and awareness of the destination, sits at sixth place overall, with a reduction of 13.9%.

Obviously this is a very, very difficult time for our industry, not only globally but in Toronto and Ontario. So the big question is, where do we go from here?

It's expected that in 2010 our business will remain relatively flat for global growth, yet there are those who are predicting that there will be 3% growth in the greater Toronto area. But good news is on the horizon, with the World Travel and Tourism Council predicting that long-term growth in the industry will be about 4% per annum

over the coming decade, which is a significant opportunity for us in the business.

This takes us back to Ontario, the industry in the greater Toronto area and the report prepared by former Finance Minister Greg Sorbara. This report, called Discovering Ontario, challenges the industry and government to change how they work together to develop tourism and foster economic growth. In fact, the study also set a target to double tourism receipts by the year 2020 to $44 billion. The government currently is acting on some of the recommendations of the report, including the establishment of tourism regions in Ontario.

However, now is the time to move forward on other recommendations in the report. Improving the tourism investment climate in Ontario is an important first step.

The GTHA recommends that the Ontario government develop capacity within its economic development ministries to attract tourism investment, and that any efforts within the tourism ministry focused on investment attraction be linked to broader economic development activities. In short, we need to know who in this global economy invests in tourism product, what they invest in, what we need to do to attract them and how we get them to come to Ontario. This approach has to be proactive, targeted and focused on high-potential investments in key locations in Ontario, including the GTA. Investors must have a single point of contact into the government to facilitate an "Ontario is open for business" approach to tourism investment. Time is money.

The GTHA also recommends that the government, together with the tourism industry, develop milestones and interim goals that can be measured and create a success team that is accountable for delivering these goals and milestones and is held accountable for the investment. This team shall report publicly so the industry and government can measure success.

I would like to take this opportunity to thank the government for its investments in tourism attractions. Recent successes include the Pan Am Games in 2015, the International Indian Film Academy Awards in 2011 and the recent announcement of the Juno Awards coming back to Toronto. These wins demonstrate what the tourism industry and the province can accomplish when they work together.

Approved destination status with China provides a significant opportunity for Ontario and the GTA to attract more international tourists. This announcement should be viewed with optimism and with the knowledge that now is the time to invest in China, to ensure that Ontario is well positioned to succeed in garnering our share of the tourism receipts that come from China. We should not be content, though, with just getting our share. If we are to double tourism receipts, we need not be complacent but proactive: Set goals, measure success, establish accountabilities.

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GTHA recommends that the province of Ontario develop, with the tourism industry, a strategy to attract high-yield Chinese tourists to Ontario. This strategy should be part of the province's economic development portfolio.

The GTHA also recommends that the government of Ontario provide $20 million in this year's budget to be used to attract major festivals and events to the GTA and Ontario. This type of fund should be used only for those festivals and events that will provide an immediate and significant economic benefit to both the industry and the provincial treasury. GTHA also recommends that the province announce a process to request expressions of interest for the redevelopment of Ontario Place to turn it into a four-season attraction for Ontario and an economic generator. Now is the time to move forward on this project with a public-private sector partnership.

The GTHA would also like to take this opportunity to inform the committee of a potential problem for the business community. The Workplace Safety and Insurance Board was recently the subject of the Provincial Auditor's report. Concerns were raised over the unfunded liability of the WSIB as well as the current state of operations. Any increases to WSIB premiums are viewed by the industry as a barrier to creating and maintaining existing jobs. At a time when long-term injuries are decreasing, the business community will continue to strive for further reductions; however, rate increases will be a barrier to funding health and safety programs.

The GTHA recommends that the province of Ontario require the WSIB to not increase premiums for a period of two years, and that all non-core programs be evaluated for their cost and benefit to both the employer community and the employee with a view to reducing costs and overhead of this insurance program.

I want to thank the committee for their time today. I can assure you that our intent is to look to develop jobs and increase our business throughout the course of the next decade. Thanks for your time.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your submission. I will now turn to Mr. Sousa for questions.

Mr. Charles Sousa: Thank you for your presentation. We appreciate your being here today. I presume that the Greater Toronto Hotel Association will now be part of the GTA tourist region, one of the many?

Mr. Terry Mundell: Yes.

Mr. Charles Sousa: You mentioned that you have how many member hotels that you represent?

Mr. Terry Mundell: We represent about 171 hotels.

Mr. Charles Sousa: And out of the 171, that would include, I presume, those in Mississauga, right? That would be part of this new GTA region?

Mr. Terry Mundell: Mississauga and Brampton both.

Mr. Charles Sousa: There's also a payment program now that they have to abide by or that's being proposed. How many of them participate in that now?

Mr. Terry Mundell: In the destination marketing fee itself?

Mr. Charles Sousa: Yes.

Mr. Terry Mundell: In the destination marketing fee, we would have about 125 hotels that are participating in the DMF right now.

Mr. Charles Sousa: Out of the 600, you say?

Mr. Terry Mundell: Out of the 170.

Mr. Charles Sousa: Out of the 170. I like the idea to attract some of those destination monies to invest in the GTA, and I appreciate some of the comments you made around the Pan Am Games, the film festival, the Indian film academy and the Junos. Anything more we can do in that respect is a super idea.

The ask you make of us is $20 million, and presumably whatever costs are entitled to do this team success program. The $20 million—you're looking strictly at festivals, presumably?

Mr. Terry Mundell: Festivals and events. The film festival was a great example of an opportunity for a 2011 piece of business that we were able to secure in 2009, but to bid those pieces of business you have to have the money to go forward. The Junos as well—same type of situation. So they can be festivals, they can be events. The Red Bull race in Windsor is a great example of another attractor. But those events which happen, again, in 2010-11 are significant economic generators for those communities and for the provincial treasury. So what you want to make sure is that these investments are not simply there to grab an extension of marketing opportunities for existing programs. They are actually to attract new core business in the short term so we can help to fund the operations of the government and all of those service Ontarians want.

Mr. Charles Sousa: And that's a good point. That's what I was getting at, the revenue that comes from this. In my region in south Mississauga we have the Waterfront Festival and the Southside jazz and blues festival, which bring in a lot of attractions, and it's always a challenge to try to fund and bid on some of those activities. That's why I was getting initially to that point about the destination funding, to see how we can get some of that revenue to match and offset some of these things.

Mr. Terry Mundell: We actually have a good relationship in Mississauga. They've been in our area for some time now, since 2004, when the destination marketing program was initially established.

Mr. Charles Sousa: My last question is in regards to Ontario Place. Your proposal—and we've had a lot of debate as to what we're going to do—is that it can be a great economic generator, that it's not being used throughout the four seasons. What's happening at this point?

Mr. Terry Mundell: I think now's the time, and we've had this discussion with governments for some time. The reality is, the opportunity along the waterfront to provide a four-season destination in the Ontario Place properties is significant. The reality of the beast, though, is that the province doesn't have the money, and we understand that. But there is, I think, an opportunity for a public-private partnership: Maintain the ownership of the park, of the land itself, but work with the private sector to develop something which could be a four-season complex. With the work that's happened around Exhibition Place, the Direct Energy Centre, the opportunity in BMO Field, we've got to make that whole area more of a people place, and if you look at the work the waterfront corporation is doing on the east side, we need to do that on the west side as well. Ontario Place is the start of that piece. Now's the time.

Mr. Charles Sousa: I appreciate it. Thank you, Madam Chair.

The Vice-Chair (Mrs. Laura Albanese): I see that Mr. Arthurs would like to ask another question.

Mr. Wayne Arthurs: With the limited time we have available, Terry, good to see you. On page 2, there is a recommendation that government and industry work together to establish milestones and interim goals, and to create a success team to measure and be accountable and report publicly.

The Vice-Chair (Mrs. Laura Albanese): One more minute.

Mr. Wayne Arthurs: Can you take the minute or so we have left to expand or take us through it a little bit more? I'm a big fan of milestones and goal setting for the purposes of accountability.

Mr. Terry Mundell: The reality is that this is all about jobs and economic growth. That's the simple equation. That's what the province wants; that's what we want. The real question is, what are the correct milestones between today and 2020 that we need to set to be able to meet the jobs quotient and the economic growth that we want, remembering that 4% per annum over 10 years that the tourism industry will grow? There are not many industries in the global economy that are going to grow by that much right now. ADS in China is a huge opportunity. What we need is to sit down, do a plan, and understand what it is, and if we don't measure success, the study which the former finance minister did will become a shelf study and we will not drive our business. But this is an economic opportunity, folks, worth a decade at 4% a year. There's a lot of money on the table, and we can get more than our share.

Mr. Wayne Arthurs: And no question your industry has the expertise to bring to the table.

Mr. Terry Mundell: We're not afraid to participate. We want to participate. We want to work with government to get the job done.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

Mr. Terry Mundell: Thanks for your time.

ONTARIO HOSPITAL ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I now call the Ontario Hospital Association to come forward. Good morning. You will have 10 minutes for your presentation, and that will be followed by five minutes of questioning. We go in rotation. The next rotation will be with the official opposition.

Dr. Kevin Smith: Thank you. Madam Chair, members of the committee, my name is Kevin Smith. I'm the chair of the Ontario Hospital Association's board of directors. I'm also president and CEO of St. Joseph's Healthcare in Hamilton. With me is our president, Mr. Tom Closson, who is CEO of the Ontario Hospital Association.

We are here today, and we're grateful for the opportunity, to offer you a snapshot of today's hospital operating environment and to discuss what is necessary to maintain stability and indeed public confidence in our health system in the coming years.

In some ways, today's presentation has been in the making for the past 20 years. Since 1990, the last time Ontario's economy was wracked by a serious recession, hospitals have completely changed the way we provide patient care. In 1990, as an example, approximately 50,000 hospital beds were staffed and in operation; in 2008, that number had fallen to just over 30,000 beds, even though Ontario's population continued growing by almost three million people through that period. Due to changing how and where we care for patients, this success has been possible.

In addition, new medical technologies have made it possible to offer outpatient surgery to nearly 1.2 million Ontarians each year, which speeds their recovery, is safer for them, and is easier on their families. Technology has also helped immeasurably to reduce a patient's average length of stay, from 8.2 days in 1990 to 6.7 days in 2009. In addition, breakthroughs in telemedicine allow us to bring specialists' expertise to every corner of the province. New health policy thinking has led to a welcome shift away from high rates of hospitalization and toward providing as much patient care as possible at home.

Increasing public expectations related to quality and governance have driven our efforts to become more transparent and accountable, including the adoption of hospital service accountability agreements, annual audits by Ontario's Auditor General, and the OHA's call for freedom of information to be applied to hospitals.

Certainly, making these changes was not always easy for hospitals to implement or for communities to adopt. The net result, however, is a hospital system that is stronger, provides faster, safer patient care, and is the most efficient and productive in Canada when compared to the other provinces. I'd like to explore the last point for a moment.

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Hospitals' high level of efficiency allows the government of Ontario to fund them at a per capita rate that is fully 13.6% lower than the average of all other provinces. That in turn creates a $2.5-billion efficiency dividend that government is able to invest in other priorities. This efficiency dividend increased by $900 million in the past year, which is both a remarkable achievement and evidence of hospitals' ongoing commitment to driving further efficiency improvements.

Ontario hospitals' work over the past 20 years to become the most efficient in Canada has also led to another positive and perhaps surprising result: In 2004, hospitals became the slowest-growing major cost component within Ontario's total health care budget, behind physician payments and pharmaceuticals. While hospitals' expenses growth rate is flattening, growth in other parts of our sector, particularly physicians, will increase rapidly over the next few years.

The work of maximizing the utility of every taxpayer dollar we receive is never done. Most hospitals in the province have adopted an informal goal of finding 1% in new efficiencies every year, and the Ontario Hospital Association believes that this goal is both reasonable and appropriate. To assist them and the government in bending the cost curve, the Ontario Hospital Association recently developed a paper that discusses some of the systemic changes that could be made to make our health system more sustainable. All of this work means that today, Ontario's hospitals are well positioned to weather the current economic storm.

Now I'm going to turn the podium to Tom Closson.

Mr. Tom Closson: Thank you very much, Kevin.

We've called on the government of Ontario to provide the hospital sector with a 2% increase in base operating funding for the 2010-11 fiscal year and an immediate return to providing multi-year targets thereafter. This increase should be exclusive of funding increases to cover growth in the population and demand related to that growth.

I should note that some additional support may be needed to assist a few hospitals that have what we call significant structural deficits. The OHA also believes that in funding hospitals, it's essential to return to the use of a methodology that incents and rewards hospitals for being efficient.

A 2% increase for the sector is lower than the current rate of hospital salary and expense inflation, which we estimate to be at 3%. It shows that the Ontario hospitals recognize that our province has a financial challenge and that we want to be part of the solution. It is, in our view, the absolute minimum increase necessary to maintain health system stability and access to patient care. A 2% increase will in large part allow hospitals to protect access to patient care and preserve their ability to help the government meet its stated goals of reducing wait times for surgeries and wait times in emergency departments.

To be clear, if the hospital sector receives a 2% increase in operating funding, the basket of services that many hospitals offer will change and there will be changes to the hospital workforce. These changes are occurring as hospitals follow through with measures to improve their efficiency and operate within the 2% envelope. But as mentioned, we believe that hospitals can make these changes while preserving the stability of the health care system. However, the data we have seen to date strongly suggest that an increase of less than 2% in hospital operating funding would undercut the government's goals with respect to reducing wait times in emergency, undo much of the hard-won progress made to

date in reducing surgical wait times, and erode public confidence in the health care system.

At many hospitals, certain core patient services would be reduced, and in some cases, they may well be eliminated completely. This would be particularly serious in northern Ontario, where geography and a lack of community-based services have made hospitals the default hub of the local health care system. Large numbers of hospital beds would need to be closed, and our hospital system operates right now at nearly 100% capacity.

On another point: Last month, almost 5,000 Ontarians were waiting in hospital beds for a long-term-care bed or to receive community services, and these services are also backlogged. These particular problems for alternate-level-of-care patients, as we call them, are most acutely felt in northeastern Ontario and central Ontario.

To put this in perspective, 745 patients are waiting in hospital emergency departments for a medical bed to become available. These numbers are increasing, particularly in the greater Toronto area, where a rapidly growing population is already straining the health care system. A reduction in hospital beds would make it impossible for many hospitals to house alternate-level-of-care patients while offering timely surgery and shortening wait times in the emergency department.

I should note here that hospitals' ability to manage these pressures depends in many ways on the community health sector, which is facing the same fiscal challenges that hospitals are. The Ontario health care system is very interconnected. Funding or policy decisions that affect capacity in the community, specifically a decision not to continue expanding home care services, for example—whether initiated at the provincial or regional level—will have significant consequences for the entire health system. For that reason, it's important for government to test funding and policy options related to specific parts of the health sector against system-level imperatives before decisions are made.

I should note that an increase of less than 2% would also deepen hospitals' working capital deficits, which will make it difficult for hospitals to pay their bills in a timely manner. The issue of working capital has not yet been resolved by government, notwithstanding a commitment made in February 2004 to do so. We continue to strongly encourage the Ministry of Finance to establish the working group that is needed to move forward with addressing this major hospital financial problem.

The important thing to remember is that what I have just described is a scenario, one that we hope does not come to pass. The government fully understands the challenge an increase of less than 2% in operating funding would pose to Ontario's hospitals and the health care system. Ultimately, during these unprecedented times, the government and the hospitals share the same vital objective: to avoid actions that will significantly reduce access to patient care. I'm confident that they will work with us, as they have in previous years, to protect access to health care services that Ontarians expect.

We'd be happy to answer your questions.

The Vice-Chair (Mrs. Laura Albanese): I want to thank you for that presentation. Mr. Shurman.

Mr. Peter Shurman: Thank you for an interesting presentation, gentlemen. I have only one focus, and my colleagues would like to get in as well.

In my area, I've got one hospital that serves the entire community, at least for now. In a recent visit, just before the end of the year, I saw with my own eyes a pretty modern, well-run organization with 34 beds absolutely closed. That's before we get into the fact that they've got an entire floor of ALC beds. They've got 34 beds closed because they're not funded.

A really brilliant young director of the emergency unit, which is second to none, showed me a real-time computer display of wait times and literally begged me to do what I could in this process to see if we couldn't get those 34 beds opened up so we could clear the emergency room.

That doesn't sound compatible with what you described. Can you comment on that, please?

Mr. Tom Closson: First of all, wait times in emergency are gradually coming down, but they're still at a very high level, particularly for the kind of patient you're talking about, the kind of patient who gets admitted to the hospital. Those patients, the 90th percentile or, let's say, 10% of them are waiting more than 29 hours, once they get to the emergency department, to actually get into a hospital bed.

In our view, the solution isn't in adding more hospital beds. The solution is creating more capacity in the community. We need better and more home care. We need assisted living arrangements for people and better access to places like retirement homes. We have 5,000 people in hospital beds who don't need to be there. They're the people we should be focusing on trying to get out. They'll get better care in these other settings, and it will cost a lot less.

Mr. Norm Miller: You're basically saying that health care funding has been increasing, but in the hospital sector it hasn't been increasing as quickly. I believe that's what you're saying.

I attended a deficit reduction meeting with Muskoka Algonquin Healthcare just a couple of weeks ago. One of the things that came up in the meeting—actually from a question—was to do with, I think, what you've illustrated in your working capital situation. An accountant in the audience asked a question about how much cash advance they had gotten so far in the year, and they were kind of surprised that in total, for the small organization, it ended up being $9 million. Can you expand a bit on the working capital problem across the province?

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Mr. Tom Closson: Yes, I can give you some numbers. There's a gross working capital deficit. About half of the hospitals in the province have a working capital deficit, meaning their current ratio is less than one. The gross working capital deficit of those hospitals is about $1.7 billion. There are about 30 hospitals in the province that have cash advances through the LHINs from the

Ministry of Health, and the cash advances are close to $600 million at the moment. Without the cash advances, those hospitals wouldn't be able to make payroll and wouldn't be able to pay their bills.

This working capital issue, which has been going on for years—this is not a new issue; this year it's deteriorated somewhat—is something that we are asking the Minister of Finance to create a task force on so that we can come up with a shared solution between the province and the hospitals to try to work this working capital deficit down.

I will say that just in terms of increases in spending, I'm not suggesting that hospitals haven't been funded well over the years; in the last five years, hospital funding from the government has gone up just under 25%—five years, 25% isn't bad. Physician funding has gone up 56% over the last five years in this province. So the point we're making is that we've done pretty well in hospitals, but 2% base funding is about the best we can get by with this year without destabilizing the system.

Mr. Norm Miller: I know my colleague wants to ask questions.

The Vice-Chair (Mrs. Laura Albanese): Mr. Barrett, please.

Mr. Toby Barrett: Thank you, if you have a minute. I see the graph here, the alternate long-term-care bed graph with, I think, roughly 17% of patients who probably could be somewhere else or should be somewhere else. You've mentioned long-term care, rehabilitation and elsewhere.

Certainly over the last week and a half, this committee has received presentations from long-term-care organizations. To what extent has the hospital association or have individual hospitals been lobbying, if you will, on behalf of some of the other community organizations to better enable them to essentially take some of the load off hospitals? Do individual hospitals work through the LHIN system, or has there been much work done on that?

Mr. Tom Closson: I'd say the hospitals, the local health integration networks and all the providers are trying to work really closely together to address this problem and reduce the number of alternate-level-of-care patients. It's a complex issue. But we believe the answer is not more long-term-care-home beds, not more nursing home beds; we believe it's more home care and assisted living arrangements for people.

We have 75,000 long-term-care beds in the province and we believe that over the last 20 years, particularly the last 10 years, people have been admitted to them who probably didn't need to go there. If we had had enough home care or assisted living arrangements, they could have been cared for in a more home-like setting.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission this morning.

PEEL POVERTY ACTION GROUP

The Vice-Chair (Mrs. Laura Albanese): I will now call on the Peel Poverty Action Group to come forward. Good morning. You will have 10 minutes for your presentation. Please identify yourselves before you begin for the purposes of our recording Hansard. You may begin any time.

Ms. Edna Toth: Hello. My name is Edna Toth. I am the chair of the Peel Poverty Action Group, which is an organization without income, paid staff, offices or headquarters. We purport to provide a safe place where people who have very little money can come and speak freely about what they feel is being done to them or what can be done to help them. Some of our members are homeless or precariously housed, and we thank the committee for this opportunity to present their views.

In 2007, Peel's homeless shelters housed 1,122 families, including 2,570 children. There were nearly 8,000 singles and 787 youth.

The figures have not improved over the past two years and in fact are worse, following layoffs in manufacturing, especially in Brampton. You will note that children may change schools two or three times a year because of housing problems, so their chances of academic success are not very good.

You should know that more than 600 people with intellectual challenges, a totally vulnerable population, are on the waiting list for housing in Peel region. These people, of course, need a lot more than housing in the way of supports.

Greg here, who has been homeless, will tell you that drug addiction, prostitution and desperation result from and lead to homelessness, yet despite the obvious mental health problems arising from homelessness, Peel region does not get its fair share of money from provincial or federal governments to provide support services either in mental health or in housing. Peel receives less than half the developmental funding per capita that other areas of Ontario receive, and this has been ongoing since, I think, the 1980s at least.

Peel Poverty Action Group therefore asks the committee to provide more money for new social housing, give Peel region a fair share of funding for social supports and establish new funding on a per-capita basis.

Greg?

Mr. Greg Yeandle: Hi. My name is Greg Yeandle. I work for Peel HIV/AIDS Network. It's a support group for people suffering with HIV. I do what's called the harm reduction part of it: needle exchange, dealing with the addicts on the street, people who are experiencing homelessness. I was asked last night to come here, just to give you guys sort of a street-level synopsis of what's going on.

It was interesting that the gentleman before us was stating how there are people in hospital who don't need to be in hospital. A lot of my clients that I deal with—just in the region of Peel and Brampton, I have over 30 clients. I can say that every single one of them, when the weather gets bad, has opted not to go for what we call three hots and a cot, which is copping a case, committing a crime and going to jail for the winter. Now what they'll do is they'll fake an injury or some of them will actually give themselves an injury so they have the hospital bed for the winter months.

We have no transitional housing in the region of Peel. We have no place for the addict to go to, for them to wait for a rehab centre. We don't have a rehab centre in the region of Peel. We have one detox centre, which is atrocious. It is very understaffed and poorly run. It's basically a revolving door.

We need, like I said, transitional housing with dignity. We need this affordable housing for these people. The majority of the places that we have in the region of Peel, for lack of better words, I wouldn't let my dog sleep in there. I'm sure that none of you would even set foot in these places at all. There's no reason whatsoever that a human being should live like that, all because of a bad choice.

I'm sitting in a room full of people who, I'm pretty sure, by 11:30 in the morning, have all made a bad choice so far. For some of us, when we make that bad choice, it has unbelievable consequences. Mine was sticking a needle of heroin in my foot 27 years ago, okay? I've been clean now for four years—all because of a bad choice that followed me.

Society is changing. We have to change our way of thinking. We've got to help these people. We've either got to put the money out now or it's going to affect every single one of us in this room. The bottom line is, if I can't get it from the government, I'm going to take it from one of you guys. So when you leave your nice cushy job and you hop in your car and you go to your house, there are people like me who are going to be standing at the side of your house, waiting for you. I'm the one who's going to club you in the head with a can of soup in a sock. I'm going to take your money. Okay? I personally am not going to take your money. My addiction will take your money. My choice of drug will take your money.

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There's no money, it seems—and as I've been doing this for the last four years, there doesn't seem to be any money in rehabilitation. There seems to be money in corrections. There seems to be money in jails. Like I say, it's not a war on drugs, it's a war on addicts. We're easy pickings for people like yourselves—and I'm not knocking you. You guys worked hard for what you've got. You really did. You were lucky; you were fortunate. Good people around you, I guess; I don't know.

The bottom line is, we need transitional housing; we need affordable housing; we need to house these people with some dignity. The old saying: "You sit in a barber chair long enough, you're going to get a haircut." I'm pretty sure if I take one of you guys and put you in the same surroundings, after a little while, you're going to end up just the same. You'll be a product. There are the one-percenters who do pull themselves out, but your odds are way against you. So you guys can either put the money out now and nip this in the bud and get things started, or—like the gentleman before us with the hospitals, I've got a lot of my clients in there for no other reason than just to have a warm, safe bed, when it could be used for more important things.

Mr. André Lyn: I'm André Lyn with the Social Planning Council of Peel. I'm a researcher there. Just to underscore the need for more affordable housing in Peel, we have a wait list of up to 21 years for social housing—the longest in Ontario—so the need for social housing is very important. We have a population growth: In 2006, it was 17%, and our immigration growth rate was 32%, one of the highest. So there is a dire need for social housing and affordable housing in Peel region.

We also need, as we ask, more money for social services, and included in that should be money for settlement services. Some 48% of Peel's population are now immigrants, and a full 50% are considered by Stats Canada to be visible minorities. So the need is dire; it's growing. Since 2006, I'm sure that we're more than 50%.

With PPAG, we have put out a DVD called Homelessness in Peel. We have presented two copies here. I know there is a feeling that because Peel is suburbia we don't have homelessness, but we do, and part of that is the lack of housing, lack of funding for social services. So it's an important need.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I would turn this over to Mr. Prue for questions.

Mr. Michael Prue: I have to ask the obvious question—I have spoken with this action group before as the NDP's poverty critic: Are your MPPs from the Peel region, one of whom is here, not advocating on your behalf? Are they not getting what Peel region needs, the same as every other place?

Ms. Edna Toth: I should almost leave Charles to answer that one, I suppose. I think advocating on our behalf and advocating effectively within the Liberal caucus may be something of a difficulty, but that's better known to the members of the committee than it is to us.

We have had help from Charles, certainly, and from Bob Delaney, both in Mississauga, and I'm sure that other people have also spoken up in caucus in our support. I do have to say that it's not obvious. The local papers are not carrying it, but there's a lot of stuff that they don't carry.

Mr. Michael Prue: Okay. In terms of the wait list—let's go to the wait list next—there's a 21-year wait list. Peel has an expanding—not so much Mississauga anymore, but Brampton for sure—population base and more and more people moving into the area, so it's not surprising that the wait list is going up. Has the government given you any indication as to when social housing might be built or monies might be made available for Peel?

Mr. André Lyn: When you say "the government," are you talking about the regional government?

Mr. Michael Prue: No, I'm talking about the provincial government.

Mr. André Lyn: No, we don't have a sense as to what that is. That's part of the request, to have more funding going toward building social housing, or affordable housing, for that matter.

Mr. Michael Prue: Okay. Now the government often stood up—I mean the former Minister of Municipal Affairs and Housing, who resigned his seat yesterday. He would stand up and talk about all the affordable housing

that's being built. Have you seen any evidence of affordable housing in Peel?

Ms. Edna Toth: Yes, there is some going up.

Mr. Michael Prue: How much?

Ms. Edna Toth: I think it's 616 units in the next two years, which is not going to make a huge dent in 13,500, but it is a move in the right direction. The region of Peel will be here this afternoon to speak to the committee, and they do have the statistics more easily available than we do. I think they are going to recommend that the bill put forward by Cheri DiNovo regarding having social housing as part of projects when developers make their presentations to council—I think that they will probably come in support of that. They will speak to you at 2 o'clock.

Mr. Michael Prue: I don't think that some of the members of the committee will have ever heard that before, that people injure themselves or cause pain to themselves in order to get a hospital bed and/or a warm place to sleep. This is not unusual if you live in downtown Toronto. St. Michael's Hospital has told me for years and years of people injuring themselves in order to get into the hospital. How many people do you estimate do this, from the 30 or so people you deal with?

Mr. Greg Yeandle: I'd say, out of the 30 clients that I have in Brampton, all of them at one time or another, coming up on the last four years, have either faked an illness, given themselves an injury or they fall under—it's getting very difficult right now, but a lot of them try to have themselves formed. Psychiatric—

Mr. Michael Prue: Psychiatric formed, yes.

Mr. Greg Yeandle: Starting off with 72 hours, and then continuing after that. It's almost like we've gotten to a point now where we know the system, we know what to say, we know what not to say. If you do notice, and I have in the last four years—I'm getting a lot of the old-timers, a lot of the heavyweights, a lot of the hard-core guys. It's almost like Brampton and the region of Peel have become the retirement section for the people who are experiencing homelessness, for the people who are addicts. They finish their time out there, as opposed to down here.

Do you understand? They're making their way along the Lakeshore to Port Credit, and then from Port Credit it's just word of mouth. There is quite the network in that community, so after spending a couple of days out in the west end around Port Credit or Lakeshore, people start hearing about Brampton, Bramalea, Mississauga—well, not so much Mississauga, because Hazel is Hazel, for whatever reason.

Mr. Michael Prue: Okay. We all know Hazel. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before our committee this morning.

ONTARIO CHIROPRACTIC ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I'll now call upon the Ontario Chiropractic Association to come forward. You will have 10 minutes for your presentation and that will be followed by up to five minutes of questioning that will go to the government side in this round. You may begin any time.

Dr. David Brunarski: Good morning. My name is Dr. David Brunarski and I am the president of the Ontario Chiropractic Association. With me is Dr. Robert Haig, executive director of the OCA.

Thank you for considering our input. We would like to emphasize at the outset that our input and recommendations take into account the financial constraints the government is operating under, both from the perspective of the budgetary deficit as well as the degree to which the province's budget is already devoted to health care expenditures. We believe the most significant area in which potential cost savings can be realized while improving, rather than reducing, services to Ontarians is in health care.

By way of background, primary care is health care delivered at the first contact between a patient and the health care system—the point of entry. This represents the majority of health care. It is patient care delivered by family physicians, nurse practitioners, doctors of chiropractic, optometrists and others, including care delivered in family health teams and in community health centres. Secondary care is health care provided by a specialist health care professional. Tertiary care is care that requires highly specialized skills, usually within facilities serving a large portion of the population.

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The key to a well-functioning health care system is a primary care system that quickly and effectively manages patients with those conditions that are appropriately handled within primary care settings without requiring them to access emergency rooms, medical specialists, advanced testing and hospital care that may not be necessary and further delays treatment.

We'll focus our comments on spine pain, particularly back pain and neck pain, to illustrate how the current primary care system measures up to this count. Here are a few significant numbers:

As many as 57% of emergency visits are not actually urgent, and a significant number of these are for acute and chronic back pain.

From 1994 to 2005, the use of rather expensive MRI testing increased 619%, even though the relevance of a positive finding is often questioned, suggesting that this sophisticated diagnostic tool is too often being used as a screening technique rather than to confirm a diagnosis or establish a treatment plan.

Only about 5% of all back pain patients are candidates for spinal surgery, yet many more than this are referred to spine surgeons. This means that very few patients who are referred to a spine surgeon for a surgical consult are actually surgical candidates. This represents a huge drain on the surgeon's time and contributes vastly to wait times for those who urgently need surgery. This happens because our primary care system does not handle these patients well, and thus, they are too often pushed into secondary care settings.

I'll now turn this over to Dr. Haig to talk about how the government's primary care reforms should be expanded to provide patients with enhanced care as well as make better use of scarce health care dollars.

Dr. Bob Haig: Thank you, David, and good morning, ladies and gentlemen.

The examples that Dr. Brunarski has provided underscore the need for accelerated and more comprehensive primary care reform. The government is on the right track with its approach. It is widely acknowledged that family health teams are by far the most promising primary care model that Ontario has ever seen.

Referring to the benefits offered by Ontario family health teams, a recent article in the New England Journal of Medicine noted that "The use of interdisciplinary teams expands the range of services provided and reduces overload for individual physicians." It concludes that Ontario's experience "can provide useful lessons for the United States as it addresses its primary care crisis."

Family health teams are designed to be interdisciplinary. This is important because there is extensive research showing that interdisciplinary team health care is better health care.

The initial concept and announcement by the government included roles in family health teams for rehabilitation professionals. By this, I mean chiropractors, physiotherapists and occupational therapists, primarily. When the government originally announced family health teams, there were 17 professions that were included in the list of family health team professionals. Despite this, there are no rehab professionals included in any of the family health teams announced to date.

That same article in the New England Journal of Medicine noted that physicians in family health teams "are assisted by other health professionals, such as nurses, nurse practitioners, psychologists, pharmacists, social workers, and health educators." The article did not mention any rehab professionals because there are no rehab professionals there.

There was a study conducted by Queen's University in October 2009—this is very recent—that questioned this. The study recommends that the government reconsider its rationale for excluding rehab professionals from family health teams. It goes on to state, "There are a number of primary care services for which physicians are currently the professional of choice, but where rehabilitation professionals are clearly at least as well qualified, and in some cases better qualified."

The study notes that there are a number of efficiencies that could be achieved by looking at the roles for rehabilitation in primary health care. Most compelling, it indicates that long wait times mean that people with chronic diseases and disabilities are often showing up at the family physician's door basically because they have nowhere else to go. That, clearly, is not the way a primary health care system is supposed to work. The study also includes a national policy scan of progress in implementing primary health care teams and concludes, in part, "that Ontario's policy on the place of rehabilitation professionals within the primary health care teams differs from that of every other jurisdiction surveyed except PEI."

There was a very important primary health care summit in Toronto two weeks ago. An article was posted on the website of the Canadian Medical Association Journal on that summit. Attendees heard speaker after speaker criticize the failure to "more widely implement collaborative approaches to primary health care delivery." One of those was Alba DiCenso, the director of the Ontario Training Centre in Health Services and Policy Research. She noted that rehab professionals remain excluded from most policy-setting discussions, and she was specifically referring to Ontario.

Despite the original intentions and despite the progress to date, family health teams are not living up to their full promise yet. We believe that the government has the ability to change this and that it should.

Spine pain, back pain and neck pain are among the top reasons that patients visit physicians and are the second-leading cause of disability in Canada. Not just the burden on the health care system, but the economic burden on society is very, very large. It is one of the most costly causes of illness and disability in Canada. The inclusion of chiropractors in family health teams would provide improved acute and chronic back pain management for patients and improved alignment of the care provider to patient needs, all as part of a coordinated, interdisciplinary team. This would expand available therapeutic choice for patients, provide greater access to care as well as improved continuity of care. This is all consistent with the government's focus on providing comprehensive, patient-centred, integrated health care.

Some of the first words out of Dr. Brunarski's mouth were that our recommendations were mindful of the financial constraints that the government faces—and they are serious. We believe that the government can make a lot of progress in enhancing interdisciplinary team care within the context of family health teams on an unfunded basis—without actually funding the services. This is happening now in a number of family health teams and it's working well. In those circumstances, the chiropractors are renting space from the family health team, so the family health team has an economic benefit there. Essentially, they've made their own infrastructure arrangements. But importantly, those arrangements provide many of the key facilitators for team-based care: co-location and access to the common medical record. So even though the services are unfunded, the coordination of care, which is the key to an effective primary care system, is still beginning to happen there. We believe the government should take steps to ensure that its policies facilitate rather than discourage this kind of collaboration and the inclusion of unfunded services.

The facilitation and provision of unfunded services is obviously not a complete answer to things. Funding for those services comes either from the patient or from third party health insurance, and that means the most vulnerable patients—those on social assistance, the working

poor, the elderly—who don't have access to chiropractic services now still won't be able to access them. It's not a perfect solution for the health care system, but it is a start at providing the coordination of care that is fundamental to making the system work well.

We also believe that as the government's finances improve and as Ontario's finances improve, family health team and community health centre funding should be considered for those most vulnerable patients.

Just to summarize, then, integrating chiropractic services into primary care as part of the health care team will improve acute and chronic back pain management for patients, improve the alignment of care provided to patient need and improve the delivery of primary care.

Our recommendations to government are to:

—integrate rehab services into family health teams on an unfunded basis;

—ensure that the infrastructure is in place to allow for that integration; and,

—as finances improve,consider developing a mechanism to fund chiropractic services for those who are most vulnerable.

Again, we're talking within existing primary care organizations: family health teams and community health centres, primarily. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation. I will turn it over to Mr. Arthurs for questions.

Mr. Wayne Arthurs: Gentlemen, thank you so much for being here this morning. As I understand the presentation, there's no specific fiscal ask in this budget, although on a go-forward basis for vulnerable communities, you'd want to have consideration for those services—rehab-related services and chiropractic services.

Dr. Bob Haig: Yes, that's correct. It's hard to believe that we're not sitting here asking for money, but we're really not.

Mr. Wayne Arthurs: As I'm trying to work my way through the presentation, within the context of family health teams, there were provisions for some 17 services, three of which were rehab. To date, no family health team has made an application—

Dr. Bob Haig: No, there have been—

Mr. Wayne Arthurs: Oh, have they? They've made applications for them, but the province hasn't approved any health teams with those rehab services built in?

Dr. Bob Haig: That's correct.

Mr. Wayne Arthurs: But there are individuals—I'll call them individuals—there are services where the rehab services, the chiropractic services, have managed a business model relationship with a family health team, on an unfunded basis, in which they pay for their own infrastructure but integrate themselves into that family health team model. Is that—

Dr. Bob Haig: Yes, that's basically correct. There have been—and I can't tell you the numbers—many proposals for family health teams that included chiropractors; certainly that will have included physiotherapists and occupational therapists as well. None of those have been funded by the government in the system, so that they have—and I'm not being critical of this; I'm just describing it. The government has had to make sure that the concept works, so they focused on those professions which actually provide direct service to the physicians, in many cases, to make the model work, because the model really is the right model. So we understand that.

I believe that the financial constraints and also the complexity of making it work are factors in why there are none, but there's a way to do it, there's a way to facilitate it, and the government should look at how to facilitate that happening. That's primarily what we're saying.

Mr. Wayne Arthurs: All right. If I understand, then—and I can relate it to the one experience that I have within part of my riding, the western part of Durham region, and the one family health team which took some time, as these things do, to get themselves organized and up and running into existing space, not new space or anything. I was visiting with them a while back, and they're having a tremendous amount of success and a lot of collegiality, all those kinds of things. It takes, obviously, a considerable time to get these things to work, but you think it has been and now is the time to integrate those rehab services into future family health teams or within existing family health teams as they grow. Is that correct?

Dr. Bob Haig: Existing and/or new. I mean, underlying all this is the fact that the government puts an awful lot of money into health care. There have to be ways to make that work better. If, for example, having chiropractors and others unfunded within a family health team means that the physicians within that family health team are able to focus on the things that only a physician can do, that makes the thing work better.

The Vice-Chair (Mrs. Laura Albanese): Mr. McNeely?

Mr. Phil McNeely: I just want to look on page 5. From my own experience with my family—my wife had the problem of going through the physician and going through and through and through and looking for the solution. Presently, she's probably getting more relief from the back pain from the chiropractor who she's visiting, but that is not integrated. I have to agree with you that there are a lot of lost dollars in health care because that integration doesn't exist. So I have to support what you're saying about being part of that FHC team for your profession.

Dr. Bob Haig: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you. We are recessed until 1 o'clock sharp this afternoon.

The committee recessed from 1155 to 1301.

The Vice-Chair (Mrs. Laura Albanese): Are we ready? Okay.

Mr. Toby Barrett: I wish to raise a point of order: It's essentially a question for legislative research, if this is appropriate.

Over the past seven days I've been trying to keep track of statistics on the size of government and the number of employees—CUPE has 220,000 public service workers; I'm not sure about other groups, the figures for university professors—just to get a feel for the impact on future pension liabilities, things like that.

I was wondering—I've spoken with Larry about this—if we could get some ballpark figures, perhaps from Statistics Canada, on not only the number of Ontario government employees but also the MUSH sector—municipal employees, health care, police, for example—and not only provincial but also municipal and federal agencies, boards and commissions, essentially to get an idea of how many people, full time, part time, draw on taxation revenue. So very general, ballpark figures, if we could include the three levels of government plus agencies and grant-funded organizations. I can give you a note with some more detail.

Mr. Larry Johnston: Yes, that's fine. We can go ahead.

Mr. Toby Barrett: That's appropriate? Thank you.

The Vice-Chair (Mrs. Laura Albanese): Maybe that could be distributed to the rest of the members.

ONTARIO BAR ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We'll start our afternoon session with a submission from the Ontario Bar Association. Good afternoon.

Ms. Carole Brown: Good afternoon. I will make my way up to the table slowly.

The Vice-Chair (Mrs. Laura Albanese): Please take your time.

Ms. Carole Brown: It's a sporting injury.

The Vice-Chair (Mrs. Laura Albanese): You will have 10 minutes for your presentation—

Interjections.

The Vice-Chair (Mrs. Laura Albanese): Take your time.

Ms. Carole Brown: Thank you for your patience.

The Vice-Chair (Mrs. Laura Albanese): No problem. You will have 10 minutes for your presentation. I would ask you to identify yourself at the beginning for the purposes of our recording Hansard. Thank you.

Ms. Carole Brown: Thank you. Good afternoon, Madam Chair, members of the standing committee. Thank you for providing the Ontario Bar Association with the opportunity to participate in your pre-budget consultation process.

My name is Carole Brown and I am the current president of the Ontario Bar Association. The person who assisted me in getting to the chair this afternoon was Lee Akazaki, who is our vice-president.

As you may be aware, our association represents 18,000 lawyers, judges, law professors and law students across the province. We are a voluntary membership-based association and the largest provincial branch of the Canadian Bar Association. Our role as the voice of the profession in Ontario is to advance reasoned positions to the public, to all levels of government and to our regulator, the Law Society of Upper Canada, for the benefit of our members and to improve the law and the administration of justice in this province.

On behalf of our members, and as we have done in the past, we would once again urge you to consider an amendment to the Business Corporations Act. Under the act, lawyers cannot currently issue non-voting shares to immediate family members, while doctors and dentists can. While this is clearly an issue of fairness and equity, it is also, most decidedly, an issue of access to justice. In smaller centres, towns and rural communities throughout this province sole practitioners and small firms provide legal services for the majority of Ontarians. The ability to access those same rights available to other professionals could mean the difference between maintaining a viable practice to serve the local community or having to pack up and move one's practice to a larger, potentially more viable centre. The Ontario Bar Association submits that it is unfair, inequitable and inappropriate to afford doctors and dentists this benefit under the act but not lawyers.

Lawyers whose practices consist primarily of legal aid certificates, whether family, civil or criminal—which is indeed the case in many areas in our province—already struggle financially. They serve, in many cases, the most vulnerable in our society. The recent increase in legal aid, which I will address more fully in a moment, will be helpful, but it is by no means a panacea. Why should certificate lawyers not be allowed to find the same measure of financial security as other professionals when they are at the front lines of our justice system?

The justice system and the rule of law underpin Ontario's civilized society. Without them, we really have no viable society. Those who serve in the justice system are as relevant and essential to society's well-being as those who serve in health care and education. Individual rights and liberties are the subject matters dealt with on a daily basis in Ontario's criminal, civil and family justice systems. The rule of law and an effective judicial system represent the foundation, the cornerstone, of our society.

As our province fights its way out of economic hard times, the strain on Ontario's justice system will not be lessened. Tough times, unfortunately, are often accompanied by increased crime rates, domestic violence and family breakdown.

In a recent interview with the OBA for our magazine, Briefly Speaking, the Attorney General talked about how bigger budgets weren't necessarily better, how funding the system can result in more of the system, when what we really need is a commitment to modernization of Ontario's justice system. I commend the article to you, knowing that you each receive Briefly Speaking bimonthly on your Queen's Park office desks, but I digress.

The OBA, through a number of our stakeholder outreach initiatives, has recommended efficiencies and modernization of the system and, in that regard, we are in full agreement with the Attorney General. We have supported those initiatives of the government that we

believe are in the best interests of ensuring access to justice, such as Justice on Target, Justice Ontario, family and civil law reform. Indeed, the members of the legal profession have been consulted widely and have offered opinions and recommendations on all of those initiatives.

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The OBA was fortunate, along with several other legal organizations, to participate in the recent advisory review panels with Legal Aid Ontario. These five panels provided a substantial list of recommendations for the expenditure of the announced $150 million over four years for legal aid. We acknowledge that this funding allocation during these hard times was, in a word, exceptional. The work on legal aid is far from over. We must be creative in finding the ways to fund additional tariff increases to ensure that the means of those being served does not determine the quality of their representation.

We recognize that government will be looking for efficiencies, and we in the justice sector will continue to give voice to our belief that we have been underfunded by a succession of governments. The issues in Ontario's justice system, left unchecked, will have serious and severe consequences on society. Justice is the cornerstone of a civilized society and it must be afforded the same priorities as health care and education.

In my remaining time, I would like to propose something other than simply asking for more money—although we are indeed doing that. We recommend, while searching for efficiencies, that modernization, accountability and efficiency initiatives be specifically rewarded. As the social transfer payments from the federal government continue to see moderate annual increases, we propose that an equal amount of the increase that flows into the justice sector be earmarked for those projects that are dedicated to modernization of the system.

The need is real. We will stand shoulder to shoulder with those who aspire to reform and modernize our justice system. Such efforts serve the public, they serve the profession that we represent and they ensure that Ontario's justice system remains the envy of the world. The citizens of this province need and deserve a justice system in which they have confidence, a justice system that is accessible in a timely manner, and a justice system that ensures access to its most vulnerable.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. Mr. Shurman.

Mr. Peter Shurman: Thank you, Ms. Brown. Perhaps you could enlighten me, anyway, and I'm sure many of my colleagues on the committee, as to the specifics of the changes you're requesting to the Business Corporations Act. What does it mean?

Ms. Carole Brown: The Business Corporations Act right now provides for income splitting with respect to doctors and dentists. All lawyers and other regulated professionals are allowed to practise as a corporation, but only doctors and dentists are permitted to have family members own shares, which results in income splitting. But the importance there is that in smaller communities, in smaller centres, in rural areas where lawyers move and are not able to be afforded this financial model, as it were, it is much more difficult for them to remain to provide access to justice, to provide legal services for those communities that need it. We are seeing more and more communities in northern parts of the province, in the rural parts of the province, that don't have lawyers, where lawyers are leaving because the practice is so hard that they aren't able to be—

Mr. Peter Shurman: But what's the linkage, though? Is that because of the inability to income split and therefore employ or co-employ with your husband, wife or significant other? Is that what you're saying? Because I'm not understanding the linkage you're drawing between rural communities and major cities and the income-splitting piece.

Ms. Carole Brown: It's more difficult economically to make a viable practice in these smaller communities—number one—and as a result of that, there are no other benefits for them to help make it more viable. Often, if lawyers move to smaller centres, spouses have to leave their jobs, and so it becomes a one-income family.

Mr. Peter Shurman: What would be the reason, in your understanding, that the other professionals get this benefit and that your profession does not, at present?

Ms. Carole Brown: There is no policy reason for it.

Mr. Peter Shurman: It's never been stated.

Ms. Carole Brown: There is no viable policy reason to distinguish.

Mr. Peter Shurman: Interesting. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Mr. Miller?

Mr. Norm Miller: Hi. Thanks for your presentation. You spoke a lot about the need for modernization of Ontario's justice system, and I think you said, "We recommend, while searching for efficiencies, that modernization, accountability and efficiency initiatives be specifically rewarded." What sort of benefits do you think you're going to see if you do bring about modernization, and how do you recommend that these rewards occur?

Ms. Carole Brown: The Attorney General has spoken about modernization of the system to ensure that access to justice does become a reality, because there are a lot of parts of the system that haven't been modernized over many years or decades.

Mr. Norm Miller: Can you give an example of something that doesn't make sense that should be changed?

Ms. Carole Brown: I think there are a lot of examples, but court structures aren't as efficient as they could and should be. I think there's a lot that has to be done, but we need the funding to modernize, to even look at the kinds of efficiencies that can be brought in. There have been a number of efficiencies that have been brought in that are beginning to make changes, but we need many more.

Mr. Norm Miller: And I assume the benefits would be better access to justice and cost savings down the road, eventually.

Ms. Carole Brown: Better access to justice and more timely access to justice, because there are a lot of impediments to getting to trial quickly.

Mr. Norm Miller: And a more efficient system. So am I correct in saying that it would be more efficient and that there might be cost savings down the road as well, once it's implemented?

Ms. Carole Brown: Hopefully.

Mr. Norm Miller: Okay, thanks.

The Vice-Chair (Mrs. Laura Albanese): You have 20 seconds. Thank you very much.

Ms. Carole Brown: A quick question.

Mr. Toby Barrett: Very quickly: Is there any evidence that we can get the cost or wait times to come down? These are the kinds of things we look at with other government-funded agencies.

Ms. Carole Brown: Is there evidence?

Mr. Toby Barrett: That we can get either the cost—well, both the cost and wait times to come down in the justice system, thinking primarily of courts.

Ms. Carole Brown: The wait times need to come down in order to create a justice system that works. Is there evidence? I would actually have to get back to you on that in terms of concrete evidence. Right now the system isn't working efficiently, so we don't have that kind of evidence.

Mr. Toby Barrett: Okay, thanks.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation this afternoon. We appreciate your time.

PEOPLE FOR EDUCATION

The Vice-Chair (Mrs. Laura Albanese): We'll now call on People for Education to come forward. Good afternoon. You will have 10 minutes for your presentation, which could be followed with five minutes of questioning. Again, please identify yourself before you begin. Thank you very much.

Ms. Annie Kidder: Hello. My name is Annie Kidder and I am the executive director of People for Education. I have been coming to these hearings for a very long time now, it feels like.

I am not here today to say, "Spend more money." I do understand that we are struggling in Ontario with a very large deficit. But I am coming with two concerns, one in terms of funding for education and the other one in terms of funding in general. I would like to ask your committee to make a request for us, I guess is what I'm coming to say.

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In 2003 and 2007, the Premier promised to review the funding formula for education and promised to have that review in 2010; he actually talked about it as a formal review. We're concerned that we don't see any sign of that review happening to the funding formula. The world has changed significantly since 1997, when the funding formula was first developed. There have been a number of patches and adjustments and refinements over the years to the funding formula, but it has not kept up with all of the changes since 1997. Enrolment has declined, as you know, significantly since then. School sizes are very different now than they were in 1997. In terms of funding for students at risk, much of the funding is based on data from 1991 and 2001. We have a lot of talk these days about using schools as community hubs, but there's actually no funding in place to allow schools to act in this manner.

We are hoping that the Premier will live up to his promise to review the funding formula this year, and that will have an impact on funding and the sort of economic health of Ontario overall.

The other piece which is connected to this and which I hope your committee considers very carefully has to do with integration. In all of the conversations about schools as community hubs and in the report from the Premier's adviser on early learning, the report called With Our Best Future in Mind, one of his most significant recommendations was to allow schools to act as kind of one-stop shops providing coordinated and integrated services for families, children and youth, and this is a wide range of services and programs. We know from economists, when they have looked at programs for young people, that the cost benefit is enormous, and in fact this kind of investment in terms of stimulating the economy is a better one than any other investment. In his report, the Premier's adviser found that for every dollar spent, as much as $17 was saved in the long term. What this takes is long-term thinking, which is often difficult for governments, in an understandable way, because we deal in four-year terms. But if we established an integration framework for all programs and services for families, children and youth, what we would end up with is actually a way of not only saving money, but ensuring that we deal with families, children and youth as the ecosystem that they are. All of our public policies have impacts on those people, and right now they all operate in very separate silos.

So my request today is a very short one. It has to do with acting on the promise of a review of the funding formula for education so that it keeps up with the reality of 2010; acting on all of the recommendations from the Premier's adviser on early learning so that we really, truly have a visionary program that is integrated and that works for children and their families from all across the socio-economic spectrum; and that we establish a provincial integration framework that particularly has funding mechanisms so different ministries and different silos can work together to fund programs, and that also includes outcome measures so that we can look at integrated measures of success for young people, including student success, but also mental health, physical health and other outcomes.

Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. This round of questioning will go to Mr. Prue.

Mr. Michael Prue: Thank you. The funding formula has been contentious over the last number of years. I

know my colleague Rosario Marchese asked the Minister of Education many times over the last two years when the funding formula was going to be reviewed. How long do you think the review would take if it's to be completed in 2010? I don't imagine there's time left to do it.

Ms. Annie Kidder: I think there's absolutely time left to do it. It's only February.

Mr. Michael Prue: Okay.

Ms. Annie Kidder: I think, in a way, the thing to do in this year is not necessarily to suddenly spend more money on anything, amazing though that is to say; it's actually to take the year to consider the funding formula for education, but to consider it within a context of all of our programs for children and families. If we continue to just look at education in isolation from everything else, we'll continue to make mistakes. We need to actually look at how we can serve kids and families better. We're doing a pretty good job in some areas now. It has to be done in context. That's why there needs to be an overall integration framework, but we have to look at the funding formula within that.

Mr. Michael Prue: Just on that, we heard this morning from another deputant that the city of Windsor yesterday, taking the savings into account of all-day kindergarten, just shut down seven of their daycare centres. I have a report here from the city of Toronto which I requested over the lunch hour that shows that due to equity actions resulting from a reduction, there will be 2,000 subsidy spaces lost in Toronto if we proceed with all-day kindergarten. Is that the kind of thing that we should be looking at before this happens?

Ms. Annie Kidder: It's the reason that it was very important not to cherry-pick from the Premier's adviser's recommendations: Each of the recommendations affected other pieces in it. It's like a jigsaw puzzle; you can't take one piece out. Only taking one piece out, which is the new all-day early learning program, has had a huge impact, which the Premier's adviser said it would, on other components of child care. That's why it was important to also put in place, at the same time, the child and family centres in schools and to deal with the programs for kids from birth to age four.

It's a perfect example of what's wrong. When we don't integrate our thinking and our economic and our public policy, we have this exact example where we have one piece—a very, very good, wonderful, visionary idea. But because it's being implemented without the structure in place, it's having an impact on other areas. Some of those impacts are happening to municipalities. Again, because we don't have that integration, it's not very easy for municipalities and school boards to work together right now. There's no structure in place that says they must or that they can or that they can figure out ways of sharing the funding and the programs.

Mr. Michael Prue: Is the study that we're doing this year going to alleviate that, or should it be put—I think it should be put in place much sooner, the Premier's goal of what he's going to do, so that we don't lose these daycare spaces.

Ms. Annie Kidder: The Premier's adviser said it was fine to implement the plan in stages, but that meant in terms of the percentage of children who were part of it, not the pieces of the program. I think he understood that the structure had to be in place as we slowly rolled this out, taking in more and more and more children, but what he did not say was, "Just take a piece out of it and implement that."

So, yes, it is very important that all of the recommendations from the Premier's adviser be acted upon now. Otherwise, we're going to continue to see wins on the one hand and losses on the other hand, as opposed to seeing one strong, cohesive, coherent system for children and families from zero to 12, which is what the Premier's adviser suggested.

Mr. Michael Prue: Time?

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Michael Prue: People for Education advocates on behalf of public schools, Catholic schools, French and English. There has been some concern, because this is being rolled out very slowly, that Catholic schools may get all-day kindergarten, and public schools in the same towns or areas won't, and that children who are not Catholic cannot attend. Have you or has your group addressed this?

Ms. Annie Kidder: It is always going to be an issue that some schools, because it's being rolled out slowly—and it's understandable to roll it out slowly—are going to have it and some schools won't, just in terms of the all-day learning piece or their new early learning program. More important are actually the other pieces. More important was having the child and family centres in place.

It was always going to be difficult. I don't think it's necessarily true that one system is getting it before other systems, but there are certainly going to be, in communities, parents who are going to go, "Why does that school have it, and we don't?" That's one of the bumps along the road. I think it's understandable. I don't think it's a fault necessarily in how it's being rolled out.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this afternoon.

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AUTISM RESOLUTION ONTARIO

The Vice-Chair (Mrs. Laura Albanese): We now call on Autism Resolution Ontario to come forward. Good afternoon. You will have 10 minutes for your presentation. If you can state your name before you begin.

Ms. Sharon Aschaiek: Good afternoon. I'm Sharon Aschaiek. I'm the mother of three-year-old Jaiden, who has autism, and I also lead Autism Resolution Ontario, which is a non-partisan parent-run advocacy group working to make publicly funded autism therapy more

accessible. Thank you for this opportunity today to talk to you about my concerns about the way autism therapy is funded in Ontario and my ideas for better servicing children with autism.

Right now, Ontario is facing a social and fiscal problem of a substantial and growing magnitude. We're facing the onslaught of a large group of adults who will place heavy demands on our social assistance system because they are not being properly invested in during their childhood and youth.

I'm talking about the autism crisis in Ontario, a crisis that's quickly growing and surely evolving from one that affects thousands of families in Ontario and already negatively affects our economy to one that will ultimately adversely affect all taxpayers in this province—but not if we act now, not if we make better use of Ontario's budget so that we can enable the thousands of children who have autism to get the help they so desperately need now so that they can become independent and contributing members of society.

Why should we act now? Well, there are plenty of reasons to pay attention to the needs of people with autism in this province. About 70,000 people in Ontario live with this neurodevelopmental disorder that impairs communication, socialization and behavioural abilities, and that number includes several thousand children.

As you might know, autism is the fastest-growing developmental disability in the world. The most current research shows it affects one in 91 children, including one in 58 boys. Sixty-seven children are diagnosed with autism every day, and a new case is diagnosed almost every 20 minutes. More children will be diagnosed with autism this year than with diabetes, cancer and AIDS combined.

Over the last decade, the Ontario government has made some good strides to help kids with autism. The province has invested in providing our children with ABA, or applied behaviour analysis, which is the most established and widely recommended scientifically proven autism intervention.

ABA is an intensive one-on-one behaviourist intervention that uses repetition, rewards and consequences to teach proper communication, social, academic, behavioural and life skills. ABA has been shown to dramatically improve these skills in people with autism.

The Ontario government recognizes that ABA is a lifeline for these children and has a provincially funded program in place that provides this therapy. The problem is there are major gaps in this program, meaning kids face tremendous obstacles in accessing enough of this therapy to meet their developmental needs.

Right now, children in Ontario wait two to four years to receive publicly funded ABA therapy. About 1,650 children are on wait lists for subsidized ABA therapy in Ontario, and that number is growing every day. ABA works best when started in children's early years, but this extreme wait means these kids' early years are being forever lost, and so are their opportunities to maximize in their development.

Parent who want to maximize their children's development through actual early intervention face costs of about $50,000 a year for private therapy, an overwhelming cost for most families. As a result, families go broke trying to pay for private therapy and still can't afford enough for their kids.

Once children with autism finally receive subsidized therapy after years of waiting, they're at constant risk of having it prematurely cut off. The government decides to stop a child's therapy without sufficiently considering the input of a child's front-line and supervising therapist or the data showing how they're progressing with the therapy.

Autism is typically a lifelong condition, and each child needs a different amount of therapy to thrive. Therefore the individual needs of each child must determine how much therapy they receive.

Furthermore, Ontario's schools are not properly accommodating children with autism. It has been proven that kids with autism need ABA to learn, but right now, sufficient personalized and authentic ABA instruction and support are not available in schools. Right now, these children are being forced to choose between ABA or school, a denial of their rights under the Ontario Education Act and a denial of their chance at a meaningful life.

The alarming increase in autism diagnoses over the last several years, combined with the severe gaps in autism services in Ontario, is a disastrous combination. This is a problem not only for the families trying to meet their children's basic developmental needs without enough support; this is also destructive for the Ontario economy at large. Families who spend every extra cent they have on therapy are not families who are spending much on anything else and are not stimulating the economy. According to a 2008 Ontario Autism Coalition study, families are going bankrupt at 20 times the provincial average. Other reports indicate higher-than-average rates of divorce, and still other families flee this province for BC, Alberta or the US, where services are more responsive. The breakdown, bankruptcy and flight of these thousands of families in Ontario all ultimately take their toll on our economy.

Over the next 10 to 20 years, these children will become adults. It has been determined that not properly investing in these children now means spending millions of dollars more on them in lifelong adult social services. Given the growing number of children with autism, this is poised to become a massively expensive social problem that will cost all taxpayers.

So how can the Ontario budget better serve kids with autism? The Ontario government's current annual IBI budget is $150 million. This is money that needs to be spent more wisely to better serve all kids with autism. In addition to the 1,650 children on the wait list for this service, there are 1,350 receiving full or partial service. This comes to a total of 3,000 children. If you divide the total budget of $150 million by these 3,000 children, you get about $50,000 per child. That's enough for 25 hours of therapy per child per week.

If autism cases continue to spike as they are and this budget at its current number can't sufficiently accommodate kids with autism in this province, it must be expanded to do so. Currently the provincial government allows families in the public ABA program to participate in service provided by government-run agencies or to obtain direct funding from the government and use it on private providers. In 2004, the Ontario Auditor General found a tremendous waste of money in the way these government-run agencies run the ABA program. He found excessive spending in overhead and administrative costs, and he determined the direct funding option is much more cost-effective. Ontario should move to a completely direct funding option so as to bring down costs and allow the ABA program to be accessible to more children.

The provincial government should allow for some flexibility with regards to the number of hours a child can pursue in therapy. Instead of having a 20 to 25 hour per week minimum, which is the current standard, let kids who need less do less. This avoids extra hours from going to waste on children who don't need it and frees up hours for children who are waiting.

I'm also going to speak a little bit about the education funding formula that Annie talked about. Currently school boards receive up to $60,000 for each special-needs child they accept, but that money is not being spent directly on that child. Instead, that money goes into the board's general revenue stream. Spending this money directly on ABA services and supports for special-needs students will be greatly beneficial to these children and a much better use of taxpayers' money.

The families of Autism Resolution Ontario have developed a solutions report covering ideas like these and more. This report is available in your information kit as well as in the Queen's Park library.

In conclusion, various provincial governments have taken some good steps to achieve this goal, but we must go further. Thousands of kids with autism continue not to get their basic developmental needs met in this province. These children, who are among the most vulnerable constituents in this province, are being denied timely access to an essential intervention and as such are being robbed of the opportunity to have a functional and meaningful life. From a humanitarian perspective, these children's rights are being violated under the Canadian Charter of Rights and Freedoms, the Ontario Human Rights Code, the Ontario Education Act and multiple United Nations conventions and declarations.

Ontario has the knowledge and the tools to better treat kids with autism and we must put them to better use for their sakes and, ultimately, for the good of society. We must remember that an investment in kids with autism is an investment in Ontario's future, and that properly investing in them now is essential to preventing ballooning social costs and critical to building an inclusive and prosperous society.

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The Vice-Chair (Mrs. Laura Albanese): Thank you very much. Mr. Arthurs?

Mr. Wayne Arthurs: Thanks so much for being here this afternoon; very informative.

Just so I can recapture for my purpose—and please correct me or fill in the blanks; I was trying to take some notes as I went as best I could. It's generally recognized over about a decade or so that some good strides have been made in some areas, particularly ABA therapy for the kids. Current funding on an annual basis from the province is about $150 million into the overall system.

Ms. Sharon Aschaiek: Yes.

Mr. Wayne Arthurs: There are waiting lists for access of periods of two to four years—

Ms. Sharon Aschaiek: Or longer.

Mr. Wayne Arthurs: Or longer. What are the age groupings that that falls in? Primarily very young children? Because you mentioned, obviously, the lifelong nature of autism.

Ms. Sharon Aschaiek: Sure. The kids who are on the waiting lists are mainly preschoolers. We know that ABA is meant to be started in children's early years, at the start of their early years, so two or three. These children start waiting at about two or three and typically don't receive service until about five or six. That wait varies from region to region.

Mr. Wayne Arthurs: Okay. The numbers you were talking about—did you say about 1,350 receiving service and 1,650 on wait lists?

Ms. Sharon Aschaiek: Roughly, yes.

Mr. Wayne Arthurs: So about 3,000 children in totality—I'll call it "in the system"—from the standpoint of either they're getting service or have been identified for service and are waiting, because that certainly doesn't capture the entire population with autism of a greater or lesser degree.

Ms. Sharon Aschaiek: That's right. I mean, one of the things I didn't have so much time to mention is that there are children who are being denied access into the program because they are being classified as either too mild or too severe. But we know and the signs show that kids with all levels of autism can benefit from ABA and have improvements in their quality of life. So there are lots of kids who are shut out of the system, and that's obviously not included in this total picture.

Mr. Wayne Arthurs: Right, okay. And your primary recommendation, as I understood it in the presentation, would be to develop or use a model that would provide for direct funding, to the family, presumably, for them to acquire services of their choice within probably a range of options that might be available, as opposed to agency funding?

Ms. Sharon Aschaiek: Right.

Mr. Wayne Arthurs: Because it's making or presenting the case that the agency funding—and/or through the education system—is not providing the service level in the most cost-effective manner possible.

Ms. Sharon Aschaiek: That's right.

Mr. Wayne Arthurs: Okay. And you reference costs in the scope or range of $50,000 per annum for a family. Based on the $150 million, you're suggesting that all

3,000 children who are currently being provided service or are on a current waiting list could have funding in that range, based on the current funding model that's available.

Ms. Sharon Aschaiek: If we looked at the budget as it is right now, if we moved to a direct-funding option and if we spent that budget directly on ABA as opposed to some other services that it's being spent on. For instance, part of that budget goes to respite services, which is essentially babysitting. That provides some relief to families, but our members across Ontario, when we poll them and when we're out in the community, say they'd much rather have that money go directly towards ABA therapy versus respite, because that's what their children really need.

Mr. Wayne Arthurs: Okay. Thanks so much for your presentation.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this afternoon.

ONTARIO FEDERATION OF LABOUR

The Vice-Chair (Mrs. Laura Albanese): I now call on the Ontario Federation of Labour to come forward. You will have 10 minutes for your presentation and that will be followed by five minutes of questions.

Mr. Sid Ryan: Okay, great. Thank you.

Thank you for the opportunity to make a presentation today. I'm joined by Sheila Block, the researcher for the Ontario Federation of Labour. I'm Sid Ryan, the newly elected president of the Ontario Federation of Labour. The public and private sector unions affiliated to the OFL represent more than one million working people, so on their behalf I'm here to talk about what Ontarians need from next month's budget.

But first, I want to congratulate the government on having taken Bay Street's advice in the midst of the recession. It was just about this time last year that the folks from Bay Street told you they needed your help. They talked to you about the importance of government intervention, what it would take to stabilize financial markets, ease up credit conditions and keep the economy moving. And they were right. Governments have been successful.

Through concerted, effective government intervention, financial markets have stabilized. Through concerted, effective government intervention, the prolonged global depression that we all feared has been avoided. The stock market has bounced back, bankers on both sides of the border are feeling better, and economists are telling us that the recession is over.

But now that things are better for the folks on Bay Street, they seem to have forgotten those valuable lessons of last fall and winter, the lessons that unregulated markets are not always right, governments have to do more for economic stability than to stay out of the way, and governments play an essential role in stabilizing the economy and setting out rules to ensure that markets don't run amok. Because things are better for the folks on Bay Street, they want to backtrack on their own advice of last year. They're talking to you about the grave dangers of the size of the deficit and about how we've got to get our fiscal house in order. They're talking about debt-to-GDP ratios and government borrowing costs. I'm going to talk to you about those issues too—they are very serious issues of public policy—but not in the way the folks from Bay Street are talking. They want to go back and pretend the last 18 months didn't happen. Well, that's not possible.

The stock markets may have recovered, but without a jobs recovery, there is no recovery. There is no recovery while far too many Ontarians continue to look for work but can't find it. There is no recovery while far too many Ontarians struggle to make ends meet on part-time and casual hours. There is no recovery while far too many Ontarians are trying to survive from one temporary paycheque to another. There is no recovery while Ontarians who do have good jobs wonder whether they'll be able to keep them from one day to the next.

When you go back to your ridings and look your constituents in the eye, you will see the fear: for themselves, their kids, their neighbours and their communities. If you know your constituents and your constituencies—and I'm sure you do—you know that no matter what you read in the business pages, there really is no recovery yet.

That is why you must deliver the message to the folks on Bay Street that now is not the time for backtracking on their own advice. When they needed government intervention, they got it. Well, working people need government intervention now. So I'm asking you, when you're talking to the people of Ontario and the folks on Bay Street, ignore the advice they're giving to you about paying down the deficit instead of creating and preserving good jobs. Stick with the advice that they gave you last year. They were right the first time.

In their talk of how we entered a new era in which we just can't afford to do certain things, they're talking about not being able to afford to maintain public services and pay decent wages, benefits and pensions. Their race to the bottom doesn't include CEOs and the wealthy, only ordinary people and their families. That's politics, not good economic policy. That's feeding into a mean-spirited society in which we try to convince those who are doing without that they can't have those decent wages, benefits and pensions. We try to convince them the only way to level things out is to take from those who have something. That's nasty politics, and that's what's behind the calls for deficit reduction. We need good economic policy, but if you follow Bay Street's advice of this year, you'll be following them down the road of bad politics and bad economics. This budget has to be about jobs. Paying down the deficit won't create good jobs, but creating good jobs will pay down the deficit.

I want to tell you in my remaining time why that is the case. There's a general agreement among economists that the recovery is fragile and dependent on continued government stimulus. The deficit is of concern—of course it

is—but it is not the first and most immediate concern. Our debt-to-GDP levels are still consistent with previous downturns. Recent research shows that we can expect the budget to move back into balance in five to six years without government intervention of any kind. The most effective way to address both the deficit and the economic crisis is to make this budget about getting Ontarians back to work at good jobs and preserving the good jobs we already have. The labour movement has a five-point plan to do so.

(1) Continue to support private sector job creation, including good, green jobs. The Liberal government has provided important supports to industry in this economic crisis. This sector will need continued support through strategic use of infrastructure spending, education and training and procurement policies. Ontario needs these industries.

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Moreover, we need to help these industries reduce their environmental footprint by greening their processes and their products. The Green Energy Act provides a model of the kind of policy environment that supports this kind of transition. The government should build on this effort by expanding this year's infrastructure investments in retrofit programs and expanding the transit infrastructure investments. It should negotiate with the federal government to redirect more of this year's fiscal stimulus spending to these areas.

All of these programs should have a strong buy-Ontario component. This will build our industries and ensure that we get maximum value from the tax dollars that we spend.

(2) Don't cut public services. The public sector is vital to our well-being. It provides public services to all Ontarians. Cutbacks hurt people, cost jobs and reduce economic activity. They run directly counter to the effects of their important stimulus programs already being implemented.

(3) Do provide support for employment through training, retraining and support for child care. Good jobs must be supported with improved access to child care, education and training. This budget must increase funding for the Second Career program and improve access to skills training for social assistance recipients. It is also crucial that the budget provide enough funds for both existing and new child care services.

(4) Don't cut the provincial corporate income tax rates. Ontario has a very competitive corporate tax system. Competitiveness and investment location decisions are based on a wide range of factors, including physical infrastructure, education, education level of the workforce, and the quality of government programs, such as health care. A further corporate tax cut would be an untargeted, ill-advised use of scarce resources. The planned corporate income tax reduction should be reversed.

(5) Do support precarious workers in their struggle for good jobs. The Liberal government has made progress in protecting these vulnerable workers with amendments to the Employment Standards Act for workers who are employed by temp agencies. It has also improved protection for live-in caregivers. These rights, however, must be enforced. Last year's budget's increased funding for enforcement by $4.5 million out of a promised $10 million. This budget must follow through on the government's commitment and allocate the remaining $5.5 million.

Ontarians are facing a 21st-century labour market with 20th-century legislation. Concurrent with the upcoming budget, the government should commit to improving the Employment Standards Act and the Labour Relations Act. With next month's budget, the Ontario government has the chance to ensure a continued and sustained recovery. It has the chance to get Ontarians working and keep them working. It has the chance to turn things around. For the sake of families and communities across Ontario and for the sake of long-term, sustained recovery, I hope the government makes the right choices. Thank you for your time.

The Vice-Chair (Mrs. Laura Albanese): Thank for your presentation. I will turn it over to Mr. Shurman for questions.

Mr. Peter Shurman: Thank you, and thank for your presentation, Mr. Ryan. It's good to see you here. I wondered when this day would come.

With the hat that you now wear being divided between the public sector and the private sector, we tend to agree on some things, at this point. That once wasn't the case. But, I'm interested, especially in light of listening to people like ETFO yesterday, whether or not you agree that the public sector, at this point, is just a little bit bloated. I'm not part of what you talk about when you say "Bay Street" in a blanket way, and you began your presentation by sort of accusing Bay Street of wanting deficit reduction. Our party has called for a freeze on new spending until we address earlier priorities. But I notice that we've added 185,000 net public sector jobs during the period of time Dalton McGuinty has been in power. We think that's too much. I'd like to hear your reaction.

Mr. Sid Ryan: Well, Peter, it is nice to be able to agree with you on some issues. You should come back on the Michael Coren show, maybe, and we can disagree.

Mr. Peter Shurman: One day.

Mr. Sid Ryan: One day. You know what? I don't agree that we've actually expanded the public sector to the point that it is unsustainable. I guess that's the essence of your questions, in some ways. The services that we provide in the public sector, of course, are services that the public wants and they need, whether it be child care, whether it be health care or whether it be education. I mean, where would the Conservatives propose that we begin to cut? What part of the health care system do you want to eliminate? What part of the educational system do you want to eliminate? What child care programs do the Conservatives want to get rid of? These are the programs that Ontarians are telling us they desperately need. By the way, if you happen to live in northern Ontario or any one of those other communities that are hard hit, the public sector jobs are about the only

services and jobs that are keeping the economy afloat in those communities. The vast majority of communities across the north are flat on their back because the manufacturing sector has essentially evaporated. If you're lucky enough to be in a community that has a hospital with good-paying public sector jobs delivering good services that people need; if you happen to be in a community that has a university—there are a few of them in the north, but only a few—these are the kinds of jobs that are keeping them afloat.

Maybe the Conservatives would like to tell us which communities you want to put into jeopardy across the north and which services you want to put into jeopardy across the entire economy so you can be able to say that McGuinty has added these extra jobs and somehow is destroying the economy because he has actually infused some dollars into the health care system, for example.

Mr. Peter Shurman: When we're talking about a freeze where we don't add net new dollars, where we haven't addressed issues that already exist, things like—I'll go back to the ETFO example. The early childhood education initiative is going to cost a billion and a half dollars. When we've been out on the road, in places such as the ones you referred to, listening to community groups and self-help groups say, "We really need funding for mental health," where we have heart-rending proposals from people who have taken great pains to come and see us and who have a hard time even articulating what they need and who are living under the poverty line—knowing your background, I think you'd agree that we need to take care of what's there rather than worrying about what's not.

Mr. Sid Ryan: Let's take a look at that for a moment. Say, for example, you put a freeze on health care spending. We already have the hospital budgets act, which essentially forces every hospital in the province to come in with a balanced budget, and if they don't, then they have to start cutting services. So if you put a freeze on hospitals right now, and inflation is running at 2% and 2.5%, you're effectively saying to every hospital in Ontario, "You've got to cut back by 2%, 2.5%, which means you've got to lay off nurses on the front line." That makes absolutely no sense to me economically. It makes no sense to me in terms of delivery of a program—

Mr. Peter Shurman: We haven't advocated that. The 2% you're talking about—

Mr. Sid Ryan: But you just said you want to put a freeze in on social spending across the province. That means you're going to put a freeze on hospital spending—

Mr. Peter Shurman: That's not what it means. It means that you're not going to go ahead and build on a deficit that's already $25 billion, and you're going to find efficiencies—and there are plenty of them—within what's there.

Mr. Sid Ryan: Well, now you're sucking and blowing. You don't know what you want. Do you want a freeze or do you not want a freeze? You just said you'd like to have a freeze. Now I've pointed out to you the folly of a freeze. Now you're sucking back and saying, "I didn't say that." Well, in fact you did.

Mr. Peter Shurman: You're putting words in my mouth. A freeze means you don't spend more when you haven't taken care of what you've got.

Mr. Sid Ryan: I don't think so, Peter. At the end of the day, if you start putting a freeze on public sector spending, you know you're going to hurt the most vulnerable in this province. You know you're going to kill the social programs such as education and health care. We know, for example, those retraining programs that people are desperately looking for—the 200,000 who have been put out of work since the beginning of this recession are desperately looking to government for training and retraining help. If you're going to put a freeze on those programs, you're going to freeze those people out—

Mr. Peter Shurman: Well, they're sure as hell not going to get it from this government, and you and I both know that.

Interjection.

Mr. Toby Barrett: Thank you, Chair—

The Vice-Chair (Mrs. Laura Albanese): Actually, we only have five seconds left, so not much could be said in that time.

Thank you for your submission this afternoon.

Mr. Sid Ryan: Thank you very much. It was fun.

REGION OF PEEL

The Vice-Chair (Mrs. Laura Albanese): I'd now call on the region of Peel to come forward. Good afternoon. You will have 10 minutes for your presentation, and that will be followed by five minutes of questioning. If you could kindly state your name before you begin. Thank you.

Mr. Allan Thompson: My name is Allan Thompson, town of Caledon regional councillor from Ward 2 and chair of the intergovernmental relations advisory committee at the region of Peel.

Joining me here today are David Arbuckle, manager of public policy for the region of Peel, and Sonia Mistry, policy adviser for the region of Peel.

I bring greetings on behalf of our regional chair, Emil Kolb, and the entire regional council. We wish to thank you for allowing us to provide input on your 2010 provincial budget.

The region of Peel recognizes the difficult environment the provincial government faces to stabilize Ontario's economy while preserving the key services our citizens enjoy. As the province moves forward in preparing the 2010 budget, we encourage the provincial government to maintain a balance of priorities. We strongly believe this current economic transition presents the provincial government with an ideal opportunity to develop policies and support programs that better utilize the strengths and assets found across Ontario.

Leveraging key assets, such as a skilled and diverse workforce, a growing and vibrant immigrant population, as well as integrating the extensive transportation infrastructure network, will prepare Ontario for economic recovery.

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Supporting and collaborating with municipalities such as the region of Peel on innovative initiatives to address longer-term and persistent challenges, such as poverty and gridlock on our roads, will also help the province meet its overall objectives of job creation, fiscal management and economic growth.

Peel's profile: The region of Peel is a rapidly growing community with a diverse population of 1.35 million people. It is a vibrant part of the GTA. Further, we have nine provincial electoral ridings and have over 90,000 businesses within our borders of Peel region.

Peel has undergone a major transition during the past few decades. Rapid population growth and commercial development have transformed what was primarily known as a rural area into a dynamic blend of urban, industrial and residential areas.

Peel has also welcomed more than 560,000 immigrants, representing 93 ethnic groups, into the region. Immigrants are the fastest-growing group in Peel. On an annual basis, Peel attracts 34,000 new residents. Out of that, 27,000 are immigrants that come into Peel each year. At this pace, by 2031, Peel's population will reach over 1.57 million.

The rapid growth and transformation has introduced much strength to Peel's municipal landscape. It has also, however, brought significant challenges that must be addressed. Peel region and our communities have developed and demonstrated determination in dealing with these complex challenges by developing innovative programs and maintaining a high level of service delivery.

This commitment to quality has been recently recognized with Peel being the first government in Canada to receive the National Quality Institute's Canada Award for Excellence. This award recognizes Peel as a leader in responsible government that develops and delivers innovative programs and services to meet the growing, unique and complex needs of the cities of Mississauga, Brampton and the town of Caledon.

However, in a time of economic uncertainty, combined with our rapid growth and transformation to our municipal landscape, the region faces many obstacles in addressing these issues. Some of these challenges include the impact of gridlock on goods and services movement that directly affects our local, provincial and national economies; a rapidly growing and high level of child poverty; a strain on services to meet the needs of new immigrants; a high social housing waiting list; and significant off-load delays for patients arriving by ambulance at our hospitals.

As such, the region of Peel continues to be a willing partner with the province in achieving overall economic growth and prosperity.

With our growth challenges, all Ontarians should enjoy living in strong communities that benefit from similar investments in human services. However, in fast-growing urban areas such as Peel, we see that funding for social and community agencies and municipal service providers is not keeping pace with the growth of the population. This needs to be addressed so that funding is provided on an equitable basis.

We're encouraged that the government has begun to review a number of funding formulas that have a direct impact on the inequity—namely, social assistance funding and children's aid society funding. However, there are still a number of funding gaps in human services that are either the result of a lack of provincial funding or inequitable funding, which places residents at risk, especially in high-growth areas that we're experiencing.

New immigrants: As mentioned earlier, the region of Peel is experiencing significant population growth, driven mostly by high numbers of new immigrants settling in the Peel region. New immigrants bring with them a vast amount of resources, knowledge and skill sets which will diversify the province's workforce and help Ontario succeed, increasingly, in the global economy.

However, new immigrants make up 18% of Peel's total population and are experiencing high rates of poverty and underemployment while scoring high on a variety of skills and education indicators. For immigrants arriving to Peel from 2001 to 2006, several barriers have prevented them from accessing the type of employment that meets their credentials. As a result, in Peel, 33% of the new immigrants are living in poverty.

To help integrate new immigrants, we encourage the province to help develop, in collaboration with the municipalities, policies and programs that support effective integration of newcomers into the workplace.

We are asking the province to support the fast-tracking of foreign credentials assessments to be used to evaluate qualifications and certification in regulated and non-regulated occupations.

Child poverty is an issue throughout Ontario and the greater Toronto area. Make no mistake, the annual child poverty growth in Peel is 1% per year. Peel's situation is unique and in desperate need of innovative solutions. In 2006, we had close to 61,300 children living in poverty. Actively addressing child poverty in Peel would help the province significantly in achieving its poverty reduction target of 25% by 2013.

The region was pleased with the release of the province's poverty reduction strategy, Breaking the Cycle, as well as the Roots of Youth Violence report. Both initiatives have strong support in our communities and they are viewed as important building blocks to address child poverty. In fact, with already well-established relationships with community partners, Peel is ready to collaborate with the province to introduce important initiatives to help address child poverty.

We have developed two initiatives—Families First and the community hub demonstration proposal—which

use an integrated approach to address poverty issues. We are encouraging the province to meet with regional staff to further discuss implementation of these programs. We are encouraging the province to convene a formal committee that includes key senior officials from the provincial government, the region of Peel and community stakeholders, which will improve the understanding of the unique challenges that face our region and come to learn the true face of poverty in Peel.

Affordable housing: I have a real challenge with affordable housing. I feel it should be low-income housing, and I know it's stained as a bad word, but it is what it is. The region strongly believes that housing is critical in helping families living in poverty establish the stability they need to turn their situation around. With the region of Peel's high incidence of child poverty, affordable housing is essential to help create a stable and healthy environment for successful child development.

Access to affordable housing is also an essential element required for the efficient integration of new immigrants, since 60% of our newly arrived immigrants spend at least half of their income on housing. With a rapidly increasing new immigrant population and 33% of new immigrants in Peel living in poverty, the region of Peel does not have the capacity to meet the housing demands.

We currently have 13,500 families in the region of Peel waiting for social housing units. Further, a family being placed on Peel's waiting list for social housing units could wait up to 21 years, and we're building and adding all the time. To address these issues related to affordable housing, the region of Peel encourages the provincial government to work with the federal government to adopt policy changes that address the wait-list-demand issues that we have to deal with.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds left.

Mr. Allan Thompson: Thank you.

We also believe the province should encourage the federal government to develop this strategy.

We recognize that health care spending is a significant portion of the provincial budget. As such, the region of Peel has focused on developing initiatives, such as Peel's dedicated offload nursing program, which will lead to long-term cost savings.

While the provincial government has made great strides to reduce emergency department waits times, more needs to be done to reduce the long offload delays Peel's paramedic services experience when transferring patient care to emergency departments. Peel's dedicated offload nursing program is one of several initiatives that have helped to reduce offload delay. This program, initiated by the Ministry of Health and Long-Term Care in high-growth communities, has saved 6,000 paramedic service hours between January and June, 2009.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Unfortunately, the time has expired. This rotation goes to the NDP. Mr. Prue?

Mr. Michael Prue: Thank you very much. We had a group earlier this morning called the Peel Poverty Action Group, and they pretty much said the same things as you are saying, although they were a little more colourful, I think. They had a gentleman there who worked with—he called them drug addicts—people who were dependent upon drugs, and what was likely to happen if they didn't get service.

Peel seems to be underfunded in almost every way when it comes to social services, when it comes to housing, when it comes to children's aid—you go down the list. Why is it that Peel is getting so little money? Are you not applying for it? Is the government refusing to give it to you? Why aren't you getting it?

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Mr. Allan Thompson: A very good question, and yes, we have been constantly hammering away at it. The formulas that work in all departments—let's talk about libraries, for instance—what they've never factored in is the growth.

Peel has been a vast growth area. As I have said, we're growing at 34,000 people per year. The factors in the funding formulas work on the population numbers, and everything has been frozen back in time in the mid-1990s. No matter what we go to do, our equations never make it up. It doesn't make it on social services; it doesn't make it on anything.

We have to change the formulas. If we're taking this growth, we need help. We need the support to make it happen. We're pulling money out of other resources to make up the difference.

Mr. Michael Prue: The government relies on the census every 10 years, and the census is always at least three or four years behind by the time it comes out. Are you suggesting that the government give up on census data and look at actual data?

Mr. Allan Thompson: It would be nice, but it would be nice if we used the latest census data. I have to say that all the previous governments in the past—it just has not advanced. The cutbacks we got under the Harris regime have never been picked up by the Liberal government to bring everything forward. We're working on numbers from back in the 1990s on our ratios—especially on libraries—and with the massive growth that we've got. You're supposed to be getting $2 per person; in Caledon, it's 58 cents, in Brampton, it's 19 cents, and in Mississauga, it's 33 cents because it all factors on growth. It has never kept up with the equation.

Everything that you're saying on the shortfall has been picked up on the backs of the property owner in Peel. It has come off the property tax, when it should be the responsibility of the province. We understand the problem we have with the province, but it's the formula that is flawed and we've got to fix it. They've never factored in growth, and it has got to be dealt with.

Mr. Michael Prue: Recently I saw something about Peel children's aid being just about out of money and threatening to have to close down. What is the problem there? Is it the same thing? Are they not being funded by the government? Because that's on a per person basis, or a per case basis. Why is Peel children's aid in trouble?

Mr. Allan Thompson: Again, it's never been factored.

The key thing is that the funding has been cut back at the province. There are 48 agencies, I do understand—or maybe it's 52, I think—that are all in the same boat as we are. The big killer with us again is the growth, and the big thing is that we've got communities all over where we've done good planning. We've integrated the low-income people in with the whole group. We do not have an area that's a poverty-stricken area; it's in all of our clusters in Peel, and that's why it's lost. It's almost like those are lost people.

That's the challenge: We've never factored the growth. We've done what we've been told to by the province and the feds to take all this on. I think because the Toronto international airport is a key factor in bringing people in, that's why they migrate to the Mississauga-Brampton area.

But the big thing is we definitely need the help. It isn't just provincially; it's federally too. We need help from both sides.

Mr. Michael Prue: You have 34,000 people coming per year into your region, and yet there's almost no social housing being built. We heard this morning that there are 600 units being planned or considered. Some might even be being built up. That's obviously not enough, with a 21-year waiting list. Why is it, again, that with such a huge need—

The Vice-Chair (Mrs. Laura Albanese): You have 30 seconds.

Mr. Michael Prue: —that you've not been considered?

Mr. Allan Thompson: The big thing is that we have 1,213 units that have been in the process of being opened up over the period since 2003. We keep adding each year, but again it all costs money and we just haven't had the money to help. Everything was downloaded onto us.

We are the largest landlord—the Peel housing corporation, which is part of Peel region—of housing, period, in the region of Peel as it sits today. We would love to have the funds. If we could find the funds to make it happen, we'd love to do it.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this afternoon.

Mr. Allan Thompson: I want to say that we have a report with all the numbers coming to you. I couldn't give you a copy today because I've got to get it approved at the regional council on Thursday, but you will have it by the end of the week.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. That will be distributed to all the members of the committee.

SANTA CLAUS PARADE

The Vice-Chair (Mrs. Laura Albanese): I now call the Santa Claus Parade representatives to come forward. Good afternoon. You will have 10 minutes for your presentation, and if you could kindly identify yourself before you begin.

Mr. Peter Beresford: Thank you very much. A pleasure for all of us to be here. First, I'll introduce myself. My name is Peter Beresford. I'm the president of the Santa Claus Parade. I have served as a volunteer board member for 28 years and am certainly pleased to be here with you.

Mr. Richard Ellis: Good morning, and thank you again for having us. My name is Richard Ellis and I am also a member of the board of directors of the Santa Claus Parade. When I'm not in that job I am also the president and chief executive officer of Ronald McDonald House Charities of Canada and senior vice-president of communications at McDonald's restaurants. I want to thank the province on behalf of all of us at Ronald McDonald House for your very generous support to our organization this year.

Mr. Peter Beresford: I'm going to begin. As a full-time occupation, I'm the chief operating officer of the Royal Canadian Golf Association, although my wife thinks that is my hobby and my full-time job is the Santa Claus Parade. We're certainly going to switch gears here today. We want to talk to you about a community event that's extremely important to Ontarians.

First, I want to tell you a few things that you probably know about the Santa Claus Parade. It is a 105-year-old tradition. We became a charity 28 years ago with the help of Eaton's when we saved the parade. We run a 90-minute entertainment show. We run it on a special day in November and our stage is the streets of Toronto, and 6.2 kilometres on the streets of Toronto. But I think you know the most important facet of the Santa Claus Parade as it has been for 105 years: All the tickets to our show are free. Everyone is invited.

There are a few things you might not know. It is a 12-month-a-year business. It costs us $1.3 million to operate the business. For the last five years on average we've run the business as a break-even business. We have seven full-time and seven part-time employees, but importantly, we have a 21-member board. They're all volunteers who spend hundreds and hundreds of hours in committees to make this business a viable business. Most importantly, we're the largest show of our kind in Canada. In fact, we've become iconic in the hearts of Ontarians.

If you were to visit our warehouse you would see props and archives that are 50 and 60 years old. It's almost like opening a window to the past. In fact, we're a treasure chest of history for Toronto and Ontario, which brings me to my friend right here. My friend is 59 years old. He's the head from an upside-down clown that appeared in the parade in 1951.

You'll notice that we provided you with a colouring book. I doubt that anyone has done that over the past few days. It's actually a reproduction of a 1951 Eaton's colouring book. Eaton's provided those colouring books for free to everyone who arrived at Toyland and they actually reproduced the parade for that year. In fact, on one page you'll see this fellow in a line drawing and later

you'll see it in a black and white photo and you'll see how he appeared in the 1951 parade. You'll see lots of other great pictures. You'll see a wagon with four clowns being pulled; that was from the 1953 parade. We still have two of those props that we use today. There is great history in the Santa Claus Parade. You'll see at the very end how, in 1951, Santa would walk up a staircase and go to Toyland, and then you'll see some black and white pictures afterwards.

I show those to you, first to see the amazing crowds that we experienced then and we experience now; and secondly to rekindle your spirit, to remember when you were young, because I would bet that each of you, having visited the parade, would have seen an upside-down clown. Most importantly, my message today is this: We are the custodians of this cherished family tradition in Ontario. It is a Canadian icon that is rooted in Toronto. Our job is to grow this parade, to grow it with participation and with passion from all citizens in Ontario and remind them of our history from the past. But we need some help, and Richard is going to explain for a minute what we need.

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Mr. Richard Ellis: Thanks, Peter, and good afternoon again, everyone. I wanted to spend just a few minutes, now that Peter has given you some history, to talk a little bit about the business case for the parade.

As Peter said, the parade is really a hallmark of Ontario's cultural landscape in many ways. It draws on artists, performers and artisans from right across the globe and has been doing that for more than 100 years, as we said. All of the parade's floats, costumes and marching bands are organized by this very tiny staff of seven people who Peter talked about earlier, and the parade has an annual operating income of $1.3 million.

How exactly do we pay for our costs? Well, we do that in a couple of ways. For those of you who have seen the parade, you know that we kick off every year with celebrity clowns—in 2009, more than 200. These are businessmen and businesswomen from across the GTA and indeed across Canada who raised over $200,000 for us this past year, which helped us with our parade costs. In 2009, we also sold a total of 26 individual floats to corporate sponsors across the country at the cost of $40,000 each for just over $1 million.

But we're a non-profit organization, and as Peter said, we've been completely self-sustaining since 1905. We do run ourselves on a very lean budget and we break even at the end of virtually every year.

The Santa Claus Parade, as you all know, is a very important component of Ontario's tourism agenda. We have very significant spinoffs not only for the province, but for individual business owners and shopkeepers here in the city. We are the largest parade in the city, as Peter said, and as a result, businesses all across our route, big and small, have a very significant financial boost from the parade during the weekend, when we bring all of our guests in. The parade, we believe, can assist the province in its efforts to double the amount of tourism receipts that we receive here in the province by 2020 by attracting even more people as the parade continues to grow and prosper.

Over time, more and more floats have been re-utilized. We've tweaked our operations in an effort to bring the parade to the people of Toronto, Canada, and around the world, in some broadcast cases, by being as cost-conscious as we can, but rising inflation costs, utility costs and the like have meant that there has been a big hit on our revenue.

Our ask: As we said, the difficulty in increasing sponsorship income, inflationary pressures, and insurance and utility costs have been very prohibitive to us and we now find ourselves moving forward in a deficit position. With respect, we are asking the committee to consider helping us find a new home for our operations—a "parade warehouse," as we call it.

We're requesting support from the McGuinty government in the form of this new home, either physically or in equivalent funding over the next two years, to keep the annual parade afloat. There are a number of buildings that we know are currently available, in some preliminary discussions with the province, but they will need significant renovation. If that were the case, we would also respectfully request an additional $500,000 to cover those costs. All in, we are looking for in the range of $3.5 million to $4 million in provincial funding to help us find a new home for the Santa Claus Parade.

The parade is very grateful to the province for supporting us in a small financial way this past year. We really couldn't have done that without you, but we need more.

With that closing, I'm going to turn it back to Peter. Thank you.

Mr. Peter Beresford: In simple terms, Santa needs a new home. Our 28,000-square-foot warehouse, which we've used for 28 years, is just simply not enough. We need to expand to at least a 40,000-square-foot warehouse.

One of the great examples: In the back, we have five large transport trailers full of props from the 1940s, 1950s and 1960s. We can refurbish them and reuse them in a bigger facility and bring them to life to rekindle the spirit and the tradition that Ontarians have known for 105 years.

You will remember, I hope, when you were young, or with your own children or grandchildren. We are told that grandparents and parents bring their children back to the same spot every year that they enjoyed when they watched the parade. That's the richness of the history of something that is very unique to Ontario.

We're proud to be the custodians of this tradition and we're certainly pleased to be able to present it to you today. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. This rotation will go to Mr. Sousa.

Mr. Charles Sousa: Gentlemen, thank you for being here today. It's unfortunate that the big guy's not here personally to make this ask—

Mr. Peter Beresford: We tried.

Mr. Charles Sousa: —but I appreciate and understand he's a busy individual.

About 15 or 20 or so years ago, I managed the Santa Claus Parade's banking arrangements. I recall then some major individuals and companies stepped up, basically to save the parade from the demise that it was undergoing during that transition. I commend you both and others who volunteer to do that work and continue to do it. I can attest to my fellow colleagues around the committee that it is a year-long endeavour, with a lot of preparations from across Canada in order to make it happen. I think we all recognize the importance and the footprint that the parade brings to the city of Toronto and, for that matter, to Ontario and Canada, and the mark it has in establishing the spirit of Christmas and the holiday season.

If I recall, they used to have the warehouse at the 401 and Dufferin. I'm not sure if that's still where it's located.

Mr. Peter Beresford: Weston Road.

Mr. Charles Sousa: Yes. Can you give me a sense, then, is the reserve at $2 million still, today?

Mr. Peter Beresford: No. The reserve was never at $2 million. The reserve at its highest was under $1 million. I was part of the group that helped save the parade, having then been George Cohen's executive vice-president. Eaton's gave us all the costumes, all the props, which was generous. We were able to raise enough money to build the reserve to somewhere just about $900,000. That reserve today sits at around $500,000. Any of you will know that with operating costs of $1.3 million annually, the best charitable organization is one that has a reserve equal to the annual operating costs. We're about half of that right now, but our bank is about $500,000.

Mr. Charles Sousa: Yes. I notice here that you are trying to establish a $2-million mark, which is appropriate.

Other jurisdictions around the world—can you give us a comparison? Is there another establishment that you can—

Mr. Peter Beresford: I am proud to say there is no one like us in the world. We are the longest-running children's parade in the world, which makes us certainly unique. We're not the largest parade. There are many others, Macy's and the Rose Bowl parade or others. But, as a children's parade, we're the largest in the world, and I'm proud to say we've taken it abroad and broadcast it. I took it to Russia as part of my McDonald's work. We take it to New Zealand, Australia, Ireland, Norway and the United States. It's seen extensively around the world, but we're very unique.

Mr. Charles Sousa: Congratulations. I compliment you both. I appreciate your ask, and we'll take it back to our group. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this afternoon.

Mr. Peter Beresford: Thank you all, and my friend the upside-down clown thanks you as well.

ASSOCIATION OF MUNICIPALITIES OF ONTARIO

The Vice-Chair (Mrs. Laura Albanese): Now we call on the Association of Municipalities of Ontario, AMO, to come forward. You will have 10 minutes for your presentation, and if you could kindly identify yourself before you begin.

Mr. Doug Reycraft: What an act to have to follow.

Madam Chair, members of the committee, good afternoon. My name is Doug Reycraft. I'm past president of the Association of Municipalities of Ontario and mayor of the municipality of Southwest Middlesex. AMO's president, Peter Hume, unfortunately is not able to be here this afternoon due to the funeral of a close family friend.

I will be making some comments that relate to some of the areas in our written submission, and I believe that's been distributed to you. You might want to just keep an eye on the chart that's on page 11 of that written submission, which has a summary of our presentation.

The global economic developments of the past year have had a profound impact on every order of government in Ontario and on many Ontarians themselves. The response of every order of government has been equally profound. The economic stimulus plan seems to have propelled recovery up to this point. It has resulted in massive infrastructure investment, the majority of which is owned and operated by municipal governments. For every federal dollar spent and every provincial dollar spent, a municipal dollar has been spent too.

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We know the impacts. Federally and provincially, each has announced massive budgetary deficits. For municipalities, the bill is still being tallied. It will be big. It will limit debt capacity in some municipalities and will draw down on their capital reserve funds. For others, it will require higher operating costs, especially where new transit is provided.

We know that the 2009 infrastructure spending is not a sustainable level of investment for any order of government.

Ontario municipalities were eager and willing participants in taking the necessary measures to help halt the economic decline. Each municipal council chose to match those investments. They did so based on the knowledge of the ongoing cost-sharing arrangements, which include the 10-year plan for social service cost uploads of the Provincial-Municipal Fiscal and Service Delivery Review; the agreed-to provincial funding agreements for programs like land ambulance and public health; and the stability of equalization payments offered by the Ontario municipal partnership fund, to name but a few.

The wisdom and importance of each of these existing agreements is all the more important today. Changes to these understandings would plunge many municipalities into deep and frigid economic and financial waters.

For too many years, municipalities were forced to divert billions away from infrastructure investment to pay

for social services. The start of uploading of social service costs helped municipalities match every federal and provincial dollar this past year. When fully implemented, the upload will eliminate the financial exposure that property taxpayers have shouldered for far too long. The structural cost-sharing changes are long overdue and are good public policy.

In looking to the future, the Association of Municipalities of Ontario is seeking, first, a re-affirmation of the current cost-shared arrangements that provide predictable municipal funding; secondly, improved economic development opportunities with enhanced financing tools; and thirdly, reduced municipal insurance and liability costs by rebalancing municipal liability exposure.

Municipal governments receive funding through the Ontario municipal partnership fund and several other cost-sharing formulae. Changing these funding relationships is not the vehicle for dealing with the provincial deficit. It will place more burden on property taxes, widely noted as the most regressive of all the sources of taxation and the only one available to municipal governments.

In addition, AMO and its member municipalities are awaiting the government's confirmation that it will proceed with the 2008 reconciliation of the OMPF amounts, followed by the 2009 reconciliation. Each year, the government estimates its social service costs for municipal service delivery when making the annual OMPF allocations. Reconciliation adjusts for actual costs incurred, not estimates. To illustrate the difference, for example, in one eastern Ontario county it represents $650,000 for 2008 alone.

We caution the government not to fix its deficit by reneging on reconciliation. A positive announcement regarding the government's plans to reconcile actual costs for 2008 and 2009 is needed soon.

We have agreed that where actual-to-estimated costs go down, there would be a dollar-for-dollar reduction, and the corollary is also true: If caseloads go up and benefits cost more, then the province must pay its share of actual costs. That's good public policy too and that's what makes for good partnerships.

We acknowledge that the province has provided municipalities with a stable funding guarantee for the past five years. The announcement of the 2010 OMPF allocations was marked by the withdrawal of that guarantee.

In 2010, nearly 50 municipalities will weather a provincial funding cut with an equivalent tax impact of $30 per household on average, and for some, up to $85 per household. No municipality should receive any less funding in 2010, nor in any future year.

For some municipal governments, the loss of the stable funding guarantee, a retreat on reconciliation, or changes to other cost-sharing formulae would have dramatic consequences. They would become an enormous household property tax burden. We caution the government against going down these routes.

This past year's infrastructure investments have helped narrow the infrastructure gap but it remains wide, particularly when the housing stock that was downloaded in the late 1990s is added in.

While a sustained infrastructure at the 2009 level is impossible for any order of government, continued investments will need to be made in the future if we are to continue to close the infrastructure gap. Turning the tap off in 2010 assumes that the infrastructure gap is no longer important and that economic recovery is achieved. We suggest otherwise and recommend that the province continue to use infrastructure funding as a strategic vehicle for economic recovery.

AMO also urges the government to undertake a targeted infrastructure investment initiative to continue to upgrade small municipal water systems. In addition, AMO seeks some enhanced financing tools to leverage additional infrastructure investments. The first is moving forward on the review of the Development Charges Act. The charges currently permissible under the act do not uphold the principle that growth should pay for growth. The current policy is exacerbating the infrastructure deficit. The burden must be shared more equitably.

The second tool municipalities seek is the legislative provision to create a provincial fund for the remediation of existing brownfield properties. It would be financed by levying industry or commercial enterprises which have a higher risk of contaminating lands. Additional details regarding these and other financing tools are contained within the written submission. That written submission also explains a few other tools that would be helpful to residents and to the economy.

The third and final point I would like to raise with you today is the issue of municipal liability reform and insurance costs. Viewed as deep-pocket defendants, municipalities are increasingly becoming the targets of litigation. Because of joint and several liability, a disproportionate burden is placed on municipalities. It has caused municipalities and/or their insurers to settle out of court to avoid protracted and expensive litigation for amounts that far exceed their degree of fault. It has forced municipal governments to scale back the scope of the services provided to citizens. In addition, it has resulted in insurance premium increases for some municipalities of 47% in 2010 alone.

Many common-law jurisdictions around the world have adopted legal reforms to limit the exposure and restore balance while preserving the rights of aggrieved parties. Other Commonwealth jurisdictions and the vast majority of state governments in the US have modified the rule of joint and several liability in favour of some form of proportionate liability. It is time for Ontario to do the same.

The year 2008 was a turning point for Ontario municipalities. The outcomes of the fiscal review are among the most important advances municipalities have seen in decades. Significant improvements to provincial-municipal fiscal relations are under way. Restoring the balance of municipal responsibilities and revenues from the era of unabashed downloading has taken a substantial effort.

For the last 10 years, municipal leaders, economists and politicians from every party have argued that social services should not be funded from the property tax base. It took 10 years to reach agreement for that to change, and it will take eight more years for the worst of the downloads to be fully reversed. It is an outcome that will match the right service with the right tax base. The government recognized this, and we now have a co-operative strategy built on goodwill and trust between our two orders of government. Much has been achieved as a result. The 2010 provincial budget must not break that trust and goodwill.

AMO looks forward to the government's consideration of our 2010 recommendations aimed at creating a strong foundation for a prosperous future. Thank you for listening to AMO.

The Vice-Chair (Mrs. Laura Albanese): Thank you. This rotation will go to Mr. Klees.

Mr. Frank Klees: Thank you, Mr. Reycraft, and your colleagues for your presentation. It's much appreciated.

I'd like to just focus on the infrastructure deficit to which you refer and ask you this question: Does AMO have any thoughts relative to getting a handle on exactly what the infrastructure deficit is municipality by municipality? I know there are a lot of 30,000-foot-level analyses that have been done. I'm also aware that there are programs that actually deal very specifically with infrastructure analysis that allow municipalities to assess and analyze the condition of their roads, bridges and culverts, for example, which allows for a very specific detailing of not only the inventory of their infrastructure but the state of repair of that infrastructure.

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I would think that municipalities would have a much better handle on being able to manage their infrastructure deficit and needs, and be able to communicate much more effectively with the provincial and federal levels of government when they make their ask, if there was something formalized that allows us all to find that common ground and make those assessments on an objective basis. Could you comment on that?

Mr. Doug Reycraft: I'd like to make a couple of points. First of all, the Provincial-Municipal Fiscal and Service Delivery Review was a joint effort by municipalities, municipal staff, by the province and with provincial staff. There were a number of working tables established under that fiscal review. One of them dealt specifically with infrastructure. Then there were sub-tables or working groups created under that body. So I know that there was a fairly detailed analysis undertaken as part of the fiscal review to identify precisely, or as precisely as possible, what the infrastructure deficit was.

The conclusion of the fiscal review, agreed to by the province and AMO, was that the deficit represented something in the order of $6 billion a year for 10 years, so $60 billion in amount.

In addition to that, in terms of coming up with an even better quantification of the deficit, municipalities for a few years now have been working hard to meet the requirements of the Public Sector Accounting Board principles with asset management programs that identify what their infrastructure expenditures are going to be well into the future, and attempt as best as possible to meet the requirements of infrastructure enhancement and replacement.

I should also mention, going back to that fiscal review—I think this is in the written report we've placed in your hands—it shows how that infrastructure deficit ranges from region to region across the province.

Mr. Frank Klees: If I could just follow up on that, I understand that and I understand the reviews that have taken place. What I have yet to see, however, and I'd like your opinion—I would think that it would be very helpful to all three levels of government if in fact there was an agreed-to strategy and program that would allow us to actually take inventory and have an inventory bank, if you will, of a municipality's roads, bridges, culverts, water mains systems and so on. That would allow us on an annual basis to make a determination where the absolute priorities are in terms of investment, so that it's not a matter of simply coming and trying to get to the front of the line for one-off infrastructure funding announcements, so that the amount that is invested is tied to an actual identifiable infrastructure need that's there, and we're not scrambling to meet a 90-day deadline for—

The Vice-Chair (Mrs. Laura Albanese): I need a brief answer, because the time is ticking.

Mr. Doug Reycraft: I think the asset management plans that municipalities are preparing now will do exactly that. I think most of those plans show that it would be very difficult, if not impossible, for many municipalities to meet their requirements, their obligations, to maintain that infrastructure without financial assistance from senior orders of government.

Certainly, the federal gas tax program has been a great assistance to municipalities in providing them with a predictable, regular stream of revenue that they can use for infrastructure improvement and replacement.

Overall, I think we are in a much better position with respect to identifying the size of the deficit than we were, say, five years ago.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. The time has expired, unfortunately.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

The Vice-Chair (Mrs. Laura Albanese): I will call up the next presenter, and that's the Registered Nurses' Association of Ontario. Welcome.

Good afternoon. You will have 10 minutes for your presentation, and that will be followed by up to five minutes of questioning. If you could please state your name before you begin.

Ms. Doris Grinspun: Good afternoon. My name is Doris Grinspun. I'm the executive director of the Registered Nurses' Association of Ontario, RNAO.

We are the professional association for registered nurses who practise in all roles and sectors in Ontario. Our mandate is to advocate for healthy public policy and for the role of registered nurses in enhancing the health of Ontarians.

We are in the midst of a critical period in our province. As the province slowly climbs out of a severe recession, we find our social and physical infrastructure is strained.

Some people believe the future direction of Ontario means having to choose between cutting social programs or cutting the deficit or creating jobs instead of a cleaner environment, but we believe that forcing such choices is mistaken and unacceptable. In fact, it is precisely during these times of economic challenge that we need to implement the investments that will pay off tomorrow. Taking deficits seriously means knowing when and how to deal with them. Today, we bring you one simple message from Ontario's nurses: Keep rebuilding.

Strengthening social determinants of health: Nurses know that social and environmental determinants have a direct impact on health. We know that social inequities are directly linked to health inequities. One of the root causes of ill health is poverty. Sadly, we know that too well; we see that in our practice every single day.

We commend the McGuinty government for the leadership it has shown in creating a poverty reduction strategy. The measures taken thus far, such as modest increases in social assistance rates, are a good start, but poverty remains a distressing reality and an acute problem in our province.

We recommend the following:

Implement the poverty reduction plan with multi-year sustainable funding so that all Ontarians can achieve their potential and contribute and share in the province's prosperity;

Introduce a healthy food supplement of $100 per month as a down payment toward addressing the gap between dangerously low social assistance rates and nutritional requirements;

Stay on track and increase the minimum wage to $10.25 per hour this March, and $11 per hour in March 2011;

Transform our social assistance system from a punitive and complicated one to a family-centred system that treats everyone with dignity;

Fast-track the provincial housing plan so that people can afford safe, affordable housing in good health; and

Implement the recommendations on child care and early education in Charles Pascal's report.

Building sustainable, green communities is also a priority for nurses. We recommend establishing clear, tough and achievable targets for reducing greenhouse gas emissions. There is a growing consensus that developed nations must reduce their emissions at least 25% below 1990 levels by 2020, and we expect nothing less of Ontario. A good start would include the following:

—closing coal-fired power plants ahead of schedule;

—setting aggressive targets to increase the green share of energy; and

—promptly implementing the government's mass transit commitment.

But clean air alone won't help us build healthier environments. We're also concerned about the impact of environmental toxics on the health of families and communities. Ontario can and must become a leader in the environmental community. We want aggressive targets to reduce the use, creation and release of toxics, and support of this reduction with a toxics use reduction institute.

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Enhancing medicare: It's during difficult times that we are reminded of what we have in this country and what our partners to the south don't have. In fact, most Canadians—86%—believe in our publicly funded health care system. But to strengthen it, we must protect our not-for-profit health care system and take steps to enhance it so it meets the changing needs of a changing population. Tommy Douglas said it long ago: We need to strengthen prevention to play a bigger role rather than waiting to patch people up.

RNAO is pleased with the government's commitment to open 25 nurse-practitioner-led clinics. These clinics are modeled on the successful NP-led clinic in Sudbury, which opened its doors in 2007 and already provides access to 3,000 people who previously didn't have any access to a primary care provider. Eleven of these clinics have already been announced but funding has not yet followed, so we say that now is the time for action. No more announcements.

It is shameful that in a province as rich and as progressive as ours nearly one in 12 adults did not have a primary care provider in 2008. This is a fundamental challenge in dozens of communities around the province and we must, for the sake of patients and because it also makes sense financially, urgently increase access to primary care. We are asking to open all 25 clinics this fiscal year.

There are other important programs that are cost-effective and must receive permanent funding. RN first assistants, or RNFAs, are registered nurses with additional certification in surgical assistance. A recent ministry study, already posted on your website, speaks about the effectiveness and efficiency of this role. We are asking that these positions be fully and permanently funded. They cannot continue to be a pilot project, as on March 31 they will be discontinued.

An essential component of keeping people healthy and caring for them when ill is securing access to nursing services overall. There is clear evidence linking care provided by an RN to patient outcomes such as lower mortality, lower morbidity, higher satisfaction and more engagement in the organizations. Nurses in this province are proud of their education, skills and expertise, but we need your support. Ontario's RN workforce is failing to keep pace with the province's growing and aging population. The latest figures tell us that there are 71 RNs

for every 10,000 people in the province, down from 80 in 1989, and yet acuity of patients is increasing across all sectors.

The McGuinty government has made good progress since 2007, but we're not on track to meet the commitment of 9,000 additional nurses by the election date unless we commit to fund, this year, 3,000 of those 9,000 nurses. Ontario is also lagging behind in nurse per population ratios compared to the national average. To bring that up, we will need 15,000 additional nurses. We're saying, let's meet the 9,000 by 2011 and let's deliver 3,000 of those in the 2010 budget.

There is good news in the increase of the share of full-time nurses working in Ontario. We had only 50% of RNs working in Ontario working full-time in 1998. Today, we have 65.6%. That is good news and is close to the McGuinty target of 70% full-time for all working nurses. We are asking to make progress this year again. Let's move together to 67% full-time employment. That requires both a clear message to health care organizations as well as funding.

Let me speak about building a nursing career in Ontario. Many in other provinces choose to go abroad and poach nurses; we don't do that in Ontario, and it's working. I told you about the average age of nurses: 46.3 years compared to 43.3 years in 2001. So while some nurses have put their retirements on hold because of the recession, many will retire when the recession is over—and that, thankfully, is not far away.

We are saying we need to keep our nurses in Ontario. For that, we need to do two things in 2010: continue the full funding of the nurse graduate full-time guarantee program—and we were delighted to hear Minister Matthews last week saying that that will be the case—and at the same time, we're asking the government to expand the late career nurse initiative to make it permanent and available to all nurses who are 55 and over, who work full-time or part-time in all sectors of the province. That will ensure two things: that we keep our new graduates and that we retain our seasoned, expert nurses.

Our recommendations will serve to continue to strengthen Ontarians and Ontario. They will also help us to continue to provide the kind of expert care, knowledge and quality patient care that RNs are known for. Budget shortfalls cannot and must not derail the rebuilding of this province and the rebuilding of our profession.

Thank you very much for allowing us to address you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation. I will now turn it over to Mr. Prue.

Mr. Michael Prue: Thank you for your deputation. I read about this in the newspaper last week, and I want to say I was heartened when I saw the column and what you were going to say. You went beyond—and I thank you for going beyond—just what is good for nurses to look at what is good for the society as a whole.

The $100-per-month healthy food supplement is an idea whose time, I think, has come. The average person on social assistance, I'm given to understand, gets about $12 a week for food. I'm going to challenge some of my colleagues to try to live on that for a day, never mind a week, and see if they can do it, because I don't think they can. What is the $100—is that intended entirely for food or is this just to go to part of a person's global budget to make ends meet?

Ms. Doris Grinspun: It's for food—that's why we're calling it that way—and it's a down payment until we improve the overall situation.

For nurses, you need to understand: That is nursing. Keeping people healthy means addressing issues of poverty, issues of environment. So that's part of what we believe is critical, an upstream approach rather than only taking care of people when they fall apart after that.

Mr. Michael Prue: We've had a number of groups, primarily business groups, that have come forward and asked us not to increase the minimum wage—or some to increase it, but only at 25 cents a year for three years and then look at it then. Do you think the $10.25 that's due this year should be frozen or phased in? You obviously didn't say that. What do you think of their suggestion, the business groups?

Ms. Doris Grinspun: Well, I believe it's short-sighted. I believe we will end up paying in other ways if we don't provide the minimum for people to be able to sustain themselves. At the time in 2007, we actually requested $10.25 immediately. We're suggesting now $10.25 in 2010 and $11 in 2011. As you will see in the upcoming platform, the figures are $13.25 later on.

Mr. Michael Prue: You talk about the social assistance system, and I think you're right: It is punitive. People have to go down to having only about $500 in the bank before they're eligible for welfare, and people who are on ODSP who are disabled get half of all the money they make clawed back. Do we have to start changing the system?

Ms. Doris Grinspun: Absolutely, no doubt. It needs to be person-friendly, family-friendly and easy to access, much easier than now.

Mr. Michael Prue: Some on the right would argue we can't afford that.

Ms. Doris Grinspun: We can't afford not to do it, Michael; for any of us, we just can't afford it. This is a province that prides itself on not leaving people behind. In the midst of a recession that we are finally, hopefully, in a year going to be coming out of, certainly it's not the time to be leaving people behind.

Mr. Michael Prue: One of your recommendations here is to implement the recommendations on child care and early education in Charles Pascal's report. The government, to their credit, has said, "Yes, we're going to have all-day kindergarten," but they haven't done the rest. So what has happened is yesterday, in Windsor, the Windsor council announced that they were going to shut down seven of the daycare centres. Toronto has prepared a report showing the loss of 2,065 daycare spots unless the government institutes the other half of Charles Pascal's report as well. Is it enough to just have all-day kindergarten, or do we have to do it all?

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Ms. Doris Grinspun: I think we need to do it all. I think we need to do it in a planned approach. I believe that it needs to be in all kindergartens across the board. I understand that some of the recommendations will begin in schools, if I am not mistaken. So I do believe we need to implement the entire report. It's a very wise report.

The Vice-Chair (Mrs. Laura Albanese): Forty-five seconds.

Mr. Michael Prue: In terms of that wise report, I'm worried that the government is only going to go halfway. If they only go halfway and have all-day kindergarten but are shutting daycare centres, is that going to be good enough?

Ms. Doris Grinspun: No, it needs to be both.

Mr. Michael Prue: It needs to be both. And they've got to find the money, in your submission—

Ms. Doris Grinspun: There is money; the question is how we spend the money. If there are other means that we need to bring money so that government can do social programs and environmental programs then we need to look at that, too. We recommend some of that in our submission.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much.

GREATER TORONTO AIRPORTS AUTHORITY

The Vice-Chair (Mrs. Laura Albanese): I now call on the Greater Toronto Airports Authority to come forward. Good afternoon. You will have 10 minutes for your presentation. That will be followed by five minutes of questioning by the government side.

Mr. Aleem Kanji: Thank you, Madam Vice-Chair. My name is Aleem Kanji and I'm the manager of government and public affairs with the Greater Toronto Airports Authority. On behalf of the GTAA, I'd like to thank Minister Duncan for the opportunity to appear here today and to offer you thoughts on ways in which we can work with the province to help build strong economic foundations for the province of Ontario.

As you may know, the GTAA manages and operates Toronto Pearson International Airport. As a key component of the province's transportation and economic infrastructure, Toronto Pearson connects Ontario's business, tourists and travellers at no cost to taxpayers. We also bring extensive economic benefit to the province, including 185,000 jobs, with a collective annual income of $6.8 billion. As a result of airport activities, governments have collected in the amount of $4.5 billion in total, and approximately 40% of that goes back to provincial coffers. The redeveloped Toronto Pearson provides Ontario's visitors and residents with one of the most up-to-date and efficient airports in the world and the province with the front door to the world that it deserves. This afternoon I'd like to provide you with an update on our activities and outline ways in which we can strengthen our relationship moving forward.

Looking back at 2009, just over 30 million passengers were processed at Toronto Pearson, a 6.1% decline compared to 2008. Our decline in passenger traffic is a result of the ongoing economic downturn, which has reduced demand for air travel across the world. In response to the economic downturn, we put forward a four-point plan that has since proven to be a prudent plan during the continued economic uncertainty.

Our plan put a priority on four components:

(1) finding further cost containment measures in our operating costs;

(2) deferring our capital program and spending;

(3) increasing our airport improvement fee; and

(4) introducing a comprehensive incentive program to attract new airline traffic, the last of which I'd like to talk to you about.

Through our incentive program, airlines stand to save significantly off of our landing fees, to the tune of 50% and 25% in the first and second years, respectively. This incentive program is meant to act as an economic catalyst so that airlines look towards adding new routes to and from Toronto, which of course has a direct, positive impact on stimulating the economy and creating jobs right here in Ontario. A further incentive we introduced was to reduce our cargo landing fees by 25% to build on the cargo side of our business, which handles just over one half of all international air cargo across Canada. This incentive resulted in new cargo-only routes being introduced and existing routes being increased in frequency at Toronto Pearson throughout 2009.

Effective January 2010, we introduced an additional landing fee program, reducing fees 60% in year one and 40% in year two to carriers providing service to targeted destinations. The idea of this program is to reward carriers for adding service on Toronto Pearson's list of unserved and underserved target markets. Connecting Ontario globally will generate more jobs locally, increase tourism to the province and provide more opportunities for Ontario businesses and travellers to access more markets and destinations across the world.

The GTAA continues to be very conscious of the fragility of the aviation industry and continues to do its part to keep costs in check so that Toronto Pearson can remain competitive for the benefit of all Ontarians.

Beyond what we are already doing, I'd like to identify a few opportunities where the government of Ontario can support our efforts to boost the air transportation industry.

The GTAA was pleased to support the Discovering Ontario report released by the government of Ontario in 2009. In particular we welcomed the recommendations that the province should advocate for improved access to priority international markets, reduce barriers for entry into Ontario's key gateway points and, overall, make it easier for tourists to choose Ontario.

The GTAA appreciates the report's findings, which call for provincial support to encourage the federal government to focus on liberalized air service agreements with other countries. These efforts are vital to increasing

passenger choice as well as opening up new priority tourism and trade markets, along with stimulating air traffic to Toronto Pearson.

With the integrated relationship between tourism and the air services industry, it's critical that these two sectors continue to work together, with strong leadership from the province of Ontario in this regard.

As important as it is to ensure that Ontario is well connected to the tourism industry, it is critical that Toronto Pearson is connected to the region by transit, thereby allowing tourists, business travellers, employees and residents to access this important global gateway.

The province of Ontario and Metrolinx have demonstrated a very strong commitment to integrating Toronto Pearson more fully into the regional transportation network. The province should be applauded for the recently approved environmental assessment for the Union-Pearson rail link. Improving transit between Toronto Pearson and downtown Toronto is essential to the success of the wider regional transportation network. It's critical that this project, with the support of the province, move forward quickly into the construction phase.

Moving on: As it currently stands, it's significantly more expensive to operate international air services in Ontario as compared to provinces such as Quebec, BC and Alberta and competing US jurisdictions. This is due to Ontario's aviation fuel tax on international flights.

While Ontario collects approximately $38 million annually from the aviation fuel tax, the province is giving up additional tax revenue, jobs and economic opportunity. For example, introducing just one daily passenger service between Ontario and India would result in an economic boost to Ontario of $86 million and 422 jobs.

The opportunity to eliminate the aviation fuel tax on international flights would assist in attracting new international routes and services to Ontario as well as enhance business ties and help stimulate two-way trade between Ontario and other countries over the long term.

The province can also assist in supporting an arrivals duty-free program. This would keep sales in the province that currently benefit foreign jurisdictions. An ADF program would provide tremendous economic benefit, including new jobs, wages and increased revenues for Ontario. Based on the number of international arriving passengers at Toronto Pearson and at Ottawa, Ontario's share of ADF sales in five years would be $38 million, including $430,000 in new income tax, $378,000 in new corporate tax, $4.6 million in new alcohol markup that would be paid for by the duty-free operators, and 216 new jobs. An ADF program would come at absolutely no cost to the government and would also promote tourism and Ontario-made tourist products to visiting tourists.

Now more than ever, the GTAA must continue to work with the province of Ontario to fully leverage Toronto Pearson in order to generate new economic opportunities and to boost tourism to the province. We are ready, willing and eager to work with the government of Ontario to capitalize on the investments that have been made, to ensure that our province has a modern, world-class airport and to form partnerships to promote and encourage visitors and businesses to come to Ontario.

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The GTAA looks forward to working with the province of Ontario to continue to build strong economic foundations and opportunities across Ontario.

Thank you very much. I'd be happy to answer any questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation. This rotation will go to Mr. Flynn.

Mr. Kevin Daniel Flynn: Thank you, Aleem, for your presentation. I don't think it would be any secret to say that over the years the GTAA had developed or was developing a reputation amongst the carriers as being an expensive airport, and they were quite overt in their protests. I think when you landed, there was signage or they would hand things out to you saying, "Do you realize you've just landed at the most expensive airport in the world?" or something to that effect. Has that calmed down amongst the carriers now? Do they agree that they're actually operating in a reasonably well-run airport that's run in a financially responsible manner?

Mr. Aleem Kanji: To answer your question, absolutely. I think that with the programs that I talked about earlier around incentives for the air carriers, there's a direct relationship and cost savings that we're providing to the air carriers.

One thing I'd like to mention as well, just to your question, Toronto Pearson is actually one of only three airports globally, in the entire world, where we're reducing our landing fees to the tune of double digits in 2009. We're very proud of that. The other two airports, incidentally, are in Malaysia. So I think that speaks to the fact of how we're trying to get our business in order and attract new air carriers to Ontario, as well as, through the incentives, build on the relationships we have with the existing carriers for now and for the future.

Mr. Kevin Daniel Flynn: A few other questions: I know you're doing a stakeholder consultation out there with business leaders and presumably with people who use the airport on a regular basis. Is there any insight you can give us at this point—I know it's a work in progress—on any early indications as to what people are saying about that? And on page 2, there's something I'd like you to expand on a little bit, because it seems to be counterintuitive. You've got "continued economic uncertainty" in one paragraph and then "an increase in the airport improvement fee" two or three lines below that. I'm wondering how those two things go together.

Mr. Aleem Kanji: Sure; absolutely. To your first question, we're still undergoing consultation with provincial, federal and municipal leaders, as well as businesses, with regard to how we conduct our business at Toronto Pearson. I'd certainly be happy to follow up with you with regard to the results of that stakeholder consultation once we're through with it, and I would expect that to be towards the end of January and into February. I'd be happy to follow up with your office on that.

Mr. Kevin Daniel Flynn: Okay. Super.

Mr. Aleem Kanji: With regard to your second question, the airport improvement fee and raising of that fee is certainly not something we looked to be doing as a first option, but it allows us to manage our business responsibly in the context of what we've also done around some of the incentives and in ensuring that the costs are in check. We do realize that we raised the airport improvement fee over the course of this last year. It's not something we took as a first option, but as I said, we look at it in the context of what we've done for the entire industry and for travellers at Toronto Pearson. Again, I come back to the incentives and the incentive programs.

Mr. Kevin Daniel Flynn: I think what you were trying to say with the ADF program was that people are buying duty-free stuff in the place of origin and they're not buying it in Toronto. Either way, I'm assuming there'd be an impact on the retail trade in Ontario that's not duty-free. I'm thinking specifically about the LCBO in Ontario. Have you factored that into account when you're asking for this program?

Mr. Aleem Kanji: Absolutely. The way we see it is that purchasing goods on arrival, in fact, gives the customer more choice. We've done survey work in this regard, and we've spoken with finance officials about this—again, something I'd be happy to talk to you in more depth about. But we'd like to think that the decision to purchase has already been made upon departure as opposed to when travellers land and, perhaps, then go to the LCBO. So the issue of leakage around an arrivals duty-free program we see as not being that major of an issue. We've quantified it. It's something I'd be happy to follow up with you on, as well.

Mr. Kevin Daniel Flynn: Okay. Is there any time left? Very little?

The Vice-Chair (Mrs. Laura Albanese): Twenty seconds.

Mr. Kevin Daniel Flynn: Okay.

AVF: you've asked for the fuel tax to be lifted, and you're saying that it makes us uncompetitive. With the other jurisdictions you've compared us to, is everything else the same except for the fuel tax, or are there other differences between the jurisdictions?

Mr. Aleem Kanji: It's certainly a huge factor, when comparing us to our sister provinces and the United States. We've learned one thing air carriers are actually doing. They're coming to Ontario with heavy fuel loads, which is not good for the environment. They're doing it on purpose so that they don't have to fill up at Pearson when they fly back into other jurisdictions—the United States, notably. It's something we've quantified and, again, I'd be happy to follow up with you on that in more detail.

Mr. Kevin Daniel Flynn: I think all members would be interested in this.

Mr. Aleem Kanji: Absolutely.

Mr. Kevin Daniel Flynn: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that. If you have any follow-up information that you could provide, it will be distributed it to all the members.

Mr. Aleem Kanji: Absolutely.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

ONTARIO CAMPAIGN 2000

The Vice-Chair (Mrs. Laura Albanese): I now call on Ontario Campaign 2000 to come forward. Good afternoon. You will have 10 minutes for your presentation. If you could please identify yourselves before you begin, it would be appreciated.

Mr. Greg deGroot-Maggetti: Thank you, Madam Chair. Good afternoon, committee members. My name is Greg deGroot-Maggetti. I'm a member of the steering group of Ontario Campaign 2000. I'll be presenting today with Theresa Schrader.

First, let me say that Ontario Campaign 2000 is a provincial coalition of more than 60 organizations working to eliminate child and family poverty in Ontario.

Campaign 2000 commends the Ontario government for setting out a poverty reduction strategy with a target to cut child poverty by 25% by 2013, and we applaud all parties for their support for the Poverty Reduction Act, passed last May.

We appreciate a number of the steps taken over the past year that respond to many of Ontario Campaign 2000 recommendations: things like increases to the Ontario child benefit; investment of $622 million in affordable housing over two years; commitment to phase in full-day learning for four- and five-year-olds; $4.5 million to hire employment standards officers; new legislative protections for temp agency workers; and public consultations to develop a long-term affordable housing strategy.

We know that, given this current recession, though, Ontario's child poverty rate will be higher in 2010 than it was in 2007, when we have the latest data on child poverty rates—precisely because of this recession. Now, more than ever, Ontario families need government supports to climb out of poverty. Without strong and swift action in the next budget, poverty in Ontario will grow deeper and slow down the economic recovery.

We're calling on the Minister of Finance and his colleagues to move faster and further on poverty reduction by taking the following steps in the spring budget:

Begin the process to transform social assistance so that it supports people to move out of poverty. That can be done by introducing a $100 monthly healthy food supplement for all adults on social assistance, and then fully index social assistance rates to inflation. Having to rely on social assistance is, in fact, a sentence to poverty. Despite recent improvements in child benefits, a single parent with one young child still lives about $5,660 a year below the poverty line.

The government needs to fix social assistance rules that are counterproductive. For example, raise asset limits to $5,000 for singles and to $10,000 for families, because having to liquidate assets before being eligible for social assistance is one of those things that traps people in poverty.

The government needs to invest in child care. We're calling on the government to designate at least $64 million to save over 7,600 subsidized child care spaces for low-income families which are threatened to close, and to keep investing to build Ontario's child care system.

In a moment, Theresa will speak a bit more about the critical urgency of that investment.

We also call on the government to make a down payment on Ontario's promised affordable housing strategy by introducing a housing benefit, a new monthly allowance for all low-income Ontarians who spend more than 30% of their income on rent. According to the last census, one in every five tenant households in Ontario spends more than 50% of their income on rent. Similar to Quebec, Ontario should introduce a housing benefit which would make existing housing more affordable for tenants.

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Also the government should continue to increase the minimum wage to $11 an hour in 2011, with indexation for cost-of-living increases, and continue to invest in the Ontario child benefit, raising it to a maximum of $125 a month per child.

Now I'll turn it over to Theresa.

Ms. Theresa Schrader: Hello, there. My name is Theresa Schrader, and I'm a single parent of a three-year-old son named Markus.

Like many parents, I am having a tough time during this economic recession. I am currently a student at George Brown College, studying in the social service worker program. My current source of income is the Ontario student assistance program.

I have been living in poverty for over 20 years now. I was on social assistance for a few years until I decided to make this big step towards a career. I realized that I needed to further my education to get a decent job and earn a decent income to support my child. So I am studying hard and I'm doing very well. In fact, I just found out I made the Dean's list.

What makes this possible is having subsidized child care for my son and living in subsidized housing. Without this perfect combination, I would not be able to make this journey.

If the Ontario government cuts back on child care funding and I lose my subsidized child care spot, I will have to drop out of school, and I will probably have to go back on assistance. There is no way that I could afford the full fee of $1,000 to $1,100 a month at my daycare. This could have effects far beyond what the eye can see. It would perpetuate the cycle of poverty that I'm so desperately trying to break.

I know many other parents who, like me, rely on subsidized child care and who find themselves in the same position. I'm here today speaking to you on behalf of 7,600 parents across the province to say please invest in child care. Don't cut child care subsidies. It would be disastrous to our plans for our families.

We cannot study without child care. We cannot work without child care. If we've lost our jobs in this recession, we can't even look for work without child care. And the cycle continues. Good, quality, secure, public child care is so important for low-income families. We would not be able to move towards the future without it.

I thank you very much for your time today.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I will now pass it over to Mr. Arnott for questions.

Mr. Ted Arnott: I want to express my appreciation to both of you, Mr. deGroot-Maggetti and Ms. Schrader, for coming in today and offering your thoughts and advice on what the provincial government should be doing in the upcoming provincial budget. I know that your organization has come forward, I think, every year for many years to talk about the kinds of issues that you're concerned about, and this committee appreciates it very much, I can tell you.

Ms. Schrader, I want to especially thank you for coming forward. I think you've made an excellent presentation about the situation that you're confronting, should the government cut back on child care funding. I certainly want to commend you for the efforts that you've taken to go back to school. It's not easy, I'm sure, but you've done a great job, and you deserve a lot of credit for your academic success.

Ms. Theresa Schrader: Thank you.

Mr. Ted Arnott: You mentioned that if the Ontario government cuts back on child care funding and you lose your subsidized child care spot, it may be the end of the path that you've endeavoured to take. Do you think the government is going to cut back on that? Do you have a sense that that's going to happen? You obviously fear that it might.

Ms. Theresa Schrader: I'm being told that there are several spots that are at risk of losing funding because of a four-year commitment to child care subsidies that happened four years ago. Now there needs to be a recommitment to child care. That's my understanding.

Mr. Ted Arnott: Well, I hope the government members who are present here across from us will take that message back.

The other question I had was related to job training. Certainly many of the steps that you've advocated in your presentation talk about helping the people who are confronting poverty in an immediate sense. Of course, the long-term goal, I would think, is to improve their job prospects so that when the economy improves and jobs are continuing to be created—let's hope—job training would be a high priority too. Do you have any suggestions or advice with respect to what the government could do to improve the job training programs that it currently administers?

Mr. Greg deGroot-Maggetti: It relates somewhat to the first recommendation that we had about transforming the social assistance system so that it supports people to move out of poverty. The first step is to make sure that when somebody's relying on social assistance, whether that be Ontario Works or the Ontario disability support program, they actually have the income to survive. If

you're living so far below the poverty line, then living in poverty is a full-time job. So that's step one that has to happen.

But in terms of making sure that people who are on Ontario Works and on the Ontario disability support program can actually access training programs that are available, for example, for people who are on employment insurance, there would need to be important rule and program changes put in place so that the social assistance system is actually integrated with the poverty reduction strategy, to make sure that people can move into sustaining employment.

Mr. Ted Arnott: I think it's true that every single MPP in the Ontario Legislature today would want to see that every child born in Ontario has the opportunity to grow up in a loving, nurturing family environment with sufficient, good quality nutrition, decently housed and clothed, with the community support services in place if need be, to ensure that each child has the chance to succeed and to reach their full potential. So again, I think your organization advocates for that. I think you do a good job of expressing your views. We do appreciate your comments. Thank you very much for presenting here today.

Mr. Greg deGroot-Maggetti: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee.

ONTARIO LONG TERM CARE ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I would now like to call on the Ontario Long Term Care Association. Please come forward. You will have 10 minutes for your presentation. That will be followed by five minutes of questioning. This rotation will go to Mr. Prue. You may begin any time.

Ms. Christina Bisanz: Thank you very much, Madam Chair. Good afternoon. I'm appreciative of the opportunity to be back before this committee and present on behalf of the Ontario Long Term Care Association. Some of you know that I'm Christina Bisanz, and I'm CEO of the Ontario Long Term Care Association. Today, with me is Grace Sweatman, who is the president of our organization. Grace is also the CEO of Christie Gardens Apartments and Care Inc., which is an 88-bed, not-for-profit home that's part of a care continuum here in Toronto.

OLTCA represents over two thirds of Ontario's long-term-care homes. We cover the full spectrum of not-for-profit, municipal, charitable, and private-sector operators. Our members provide high levels of therapeutic care and accommodation to some 50,000 of Ontario's most vulnerable seniors.

Today we're seeking your support to ensure that homes will be able to continue to provide the high level of care and service that they do and to help maintain access to health care for all Ontarians. To accomplish this, we believe that the 2010 provincial budget must, first of all, retain the additional $43.5 million that the Ministry of Health and Long-Term Care provided last year to stabilize housekeeping, laundry, maintenance and other service levels, and continue existing service funding levels related to municipal property tax and other costs. We're also looking to have continuation of the annual adjustments to direct care and program funding so that homes can retain staff, and finally, to fully fund the cost of any new government initiatives in the sector, including the HST and the new Long-Term Care Homes Act and regulations.

We really believe that our request strikes an appropriate balance between government's fiscal and health care responsibilities.

The past decade has seen increased pressure on homes to admit residents with more complex medical conditions, with increased behavioural issues and higher infection control risk. The home's ability to respond to these pressures directly impacts available hospital beds and emergency room wait times for all Ontarians. Our members tell us that these pressures are intensifying, not subsiding.

Our sector has demonstrated its willingness to step up. We've worked with government to increase care capacity and staffing. The recent telemedicine partnership between Southlake Regional Health Centre and four of our member specialty care homes is but one example of the innovation being applied in the field.

However, homes can only step up to the extent that government provides the necessary resources. Even with the progress we've made, there's agreement in government and outside that homes are still under-resourced.

In short, we're challenged to cope today, and we're at a critical risk of slipping backwards to the detriment of both the residents' care and those who need access to hospital services.

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This budget can prevent this outcome by addressing three key sector funding pressures. The first is ensuring that homes are able to maintain housekeeping, laundry, maintenance, education and other service levels that directly support a quality care and living environment. These services allow homes to provide the procedures to admit and safely care for residents with C. difficile and other infectious conditions, prevent and manage infectious outbreaks which also close the home to admission, and provide the training to support care innovation and quality improvement. It's worth noting that the Auditor General stressed the importance of infection control practices in his recent report.

In recent years, the capacity of homes to provide these services has eroded significantly, as cost increases outstrip funding increases by 1.5% to 1.7% annually, for a cumulative funding deficit of $89 million heading into 2009. The ministry responded to this by providing an additional $43.5 million from its 2009 budget to stabilize existing service. To our surprise, however, this was tagged as one-time funding and the sector has no assurance that it will continue, even though we under-

stand that it has been included in the ministry's budget submission to finance. If it's not retained, the service reductions will materialize in 2010 with the added impact of another year of eroded capacity. Similar impacts will accompany any deficit solutions that impact other service funding, such as the 85% reimbursement of property tax costs for those homes that pay property tax. This funding initiative helps ensure that all homes have an essentially equitable service delivery capacity even though the system imposes higher operating costs on some homes.

The second budget solution is ensuring that homes can retain their nursing and other direct care staff. The province annually adjusts direct care funding to homes by some 2.5% to 3.5% to support care delivery and stabilize staffing levels. Without this adjustment, homes have no capacity to offset the annual collective agreement wage costs increases or manage the normal acuity-driven fluctuations to their care funding base. Their only option then is to reduce staffing, and that's an option that homes will be forced to employ if this annual adjustment is not included in the 2010 budget.

The third budget solution is fully funding the costs of any new requirements government will impose on the sector. This includes the impact of the HST, which I fully addressed in hearings before this committee in December. At that time I stated that in the absence of a preferred federal solution, the province must act to mitigate the $12.2-million increase that the HST will add to the operating costs of Ontario's publicly funded, privately operated homes. Let me be clear: This total cost is after the impact of supply chain savings and the benefits of income tax changes have already been accounted for.

We ask the province to commit the funding to avoid government-driven service reductions to 40,000—or over half—of Ontario's long-term-care residents based solely on home operator type. As I noted, the provincial precedent of offsetting system-driven operating cost inequities between homes is already well established. We believe the best solution is a change to the MUSH definition in the federal Excise Tax Act. This would ensure that all homes, not just some, are eligible for the province's MUSH sector protections.

This third budget solution also incorporates funding the costs to implement the new Long-Term Care Homes Act and regulations. If the regulations proceed as currently drafted, we have identified some $34 million in direct new operating costs related to food service worker provisions, nursing and administration. In addition, we also know that a transformation of the scope envisioned by the new legislation cannot be accomplished without additional indirect operating costs. If the HST, new act or any other new initiative costs are not fully funded in our sector, homes have no option but to absorb these costs by reducing services in other areas.

I know that as MPPs, you are all familiar with the long-term-care homes in your communities, the good work they do, the people they employ and the challenges they face. We appreciate that several of you here today have already taken the time to meet with some of our members in your ridings. You also know that their care and service levels are totally dependent on the support for long-term care in the 2010 budget. Residents don't have a choice. So today, we seek your support to ensure that long-term-care residents in your communities do not see their care and service levels decline in the wake of this budget and that homes are not forced to place more demands on already overburdened hospitals and emergency rooms, because that will happen.

We believe this can be reasonably accomplished, while recognizing the province's fiscal situation, by retaining existing funding levels and annual funding adjustments for care and services, including the additional $43.5 million the ministry provided last year, and ensuring that the HST and any other new cost burdens that the system imposes on long-term-care homes are fully funded.

We'd be pleased to answer any questions if there's time available. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your deputation. Mr. Prue?

Mr. Michael Prue: We had a group earlier today—I'm just trying to locate them here with their actual name; of course, I can't. They were talking about the amount of money that long-term-care homes need, and they were asking for a great deal more than you. They were asking for additional PSW positions. They were asking for additional nursing positions that had been offered. They were asking for enough bodies to institute and give 3.5 hours of care. You're not asking for any of this and I'm wondering why.

Ms. Christina Bisanz: I think we can all agree that there's much more that needs to be done in the sector and for the sector to support where we need to be going, but we also recognize and are fully aware of the fiscal challenges that we face in this province right now. So our request, really, is to make sure that we don't slip backwards. We cannot afford to slip backwards. But, at a very minimum, the areas that we've requested are essential for keeping the sector whole and enabling us to provide the level of care and service that we need to, to make sure that residents are cared for in this province.

Mr. Michael Prue: But I would think that most people in the sector and most politicians understand that the care and service being provided is not up to the standard we wish it was.

Ms. Christina Bisanz: I would argue that the quality of care and service delivery in this province is very respectful of the needs of the residents. We definitely feel that there's an opportunity to continually improve. Our members are working with the Ontario Health Quality Council to look at new quality-improvement initiatives and are fully supportive of that. But I think we have to recognize that there are fiscal challenges. While we would all like to see more, and definitely more resources, at a minimum we need to ensure that the services we're being asked to provide and the quality improvements that we need to provide are funded in the areas that we've identified.

Mr. Michael Prue: The $43.5 million that was given last year was one-time funding. Did the government give any explanation at that time about why it was one-time funding only?

Ms. Christina Bisanz: We were advised that it was because of the fiscal challenges and that there were no commitments to longer-term funding, but we feel, at a minimum, it's essential to maintain that $43.5 million for this year and to provide homes with the certainty that they can use in their budgeting and allocations for the coming year.

Mr. Michael Prue: One of the ways that, unfortunately, homes are able to save money is to cut back on either the level of food, which we've seen in some homes, or in the level of service by laying off staff, or by asking volunteers to come in and do more of the work. What is going to happen if you don't get the money? Are all of these three things likely to happen again?

Ms. Grace Sweatman: I'll respond to that, if I may. I think one of the issues you would need to recognize is that we're 90% unionized in this sector, so the volunteers to do the work would not be a feasibility.

There's no question that if we aren't kept whole, there will have to be cuts in order to maintain our own whole, but we've been really careful about being reasonable in our ask, because we're very, very aware of the situation we're all in in Ontario. So to come forward with our highly desirable four hours a day or three and a half hours a day—well, that's what we'd all wish. We're also trying to be realistic in the framework we're in so that our specific requests are understood to be thoughtfully presented and realistic.

Ms. Christina Bisanz: And if I could just add for clarification as well, it's important to recognize that raw food is part of the flow-through envelope, so that's not an area that's a discretionary cutback area. Food costs are determined and provided on a per diem basis for the residents.

Mr. Michael Prue: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing in front of the committee this afternoon.

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ONTARIO COLLEGE OF FAMILY PHYSICIANS

The Vice-Chair (Mrs. Laura Albanese): We now call on the Ontario College of Family Physicians to come forward. Good afternoon. If you could please state your name before you begin. You will have 10 minutes for your presentation.

Ms. Jan Kasperski: Thank you. I'm Jan Kasperski. I'm from the Ontario College of Family Physicians. We represent close to 9,500 family physicians in this province who provide care in every community throughout the province.

We recognize that the government is facing the challenge of managing the deficit, and we're very pleased to see that job creation, health care, education, strong fiscal management and economic growth are the main government priorities. The family physicians of this province recognize that education, poverty and health are intimately related. The government's priorities speak to all three of these priorities, where family physicians have the ability to be major players in finding the right solutions.

We work on the ground in every part of this province, and we're often referred to as the canaries in the mine shaft: We know what works and we know what doesn't.

We know the impact that reducing poverty will have on the health of our most vulnerable citizens, and we recognize that early childhood education is truly the great equalizer that will reduce health disparities and prepare each child to be a productive member of society, and we really wish to support you in your efforts in these two areas of priority.

Today, as the major providers of health care in the province, we'd like to offer you our wisdom in regard to the health care system.

Family physicians supported Canadians in the 1960s when they agreed to invest in a health care system that was based on compassion, caring and equity, so that those most in need would receive the most care. We smiled broadly during the 1970s and 1980s as Canadians used their tax dollars to improve the quality of care and the variety of services that are delivered in our system.

However, a dark cloud hung over them in the 1990s, when governments across Canada tried to convince the public that they could address the fallout from that recession by lowering taxes and doing more for less. Public policy created chaos in the health care system. The public was distressed in particular to find that they had difficulties in accessing a family doctor. We created a new social class in this province called the orphaned patient population. In rural communities, the shortage of family doctors became more acute. However, people in every community in Ontario, large and small, joined the ranks of the orphaned patients.

When the public recognized that government had created a perfect storm in the health care system, they clamoured for more doctors and nurses. The outcry was loud and clear: "Fix the system." Government ended up pouring huge sums of money back into the system, and we've been playing catch-up ever since.

Stop-and-go funding is costly in the long term. In 1998, the Canadian health care budget was reduced to $59 billion. It's now at $129 billion. We're advising that we don't repeat this costly mistake.

The McGuinty government came to power with a transformational health care agenda. It was anchored in ensuring that every citizen had easy access to their own family doctor, and that family doctor was to be supported by an inter-professional family health care team and enabled by electronic health records. The election platform recognized the need to move away from an institutional model of care to one that focused on health protection, health promotion and the early identification

of health problems, when they're most amenable to treatment.

While the care delivered in the acute care sector is valued by all of us, the model tends to treat diseases and not people. The system frequently functions as if people were a collection of body parts to be treated by individual specialists and their hospital-based specialty clinics. The McGuinty government recognized the need to prepare for the tsunami of aging by moving toward a model of care that was delivered in the community and keeps people as well as possible, as long as possible.

National and international research demonstrates that anchoring the system in family medicine and primary health care results in the best health outcomes for the least expenditures of the GDP. In other words, if you want to reduce costs in the system, you need to refocus attention on the transformational agenda.

Our key messages at this time to government: First and foremost, we want you to know that family physicians support the government's budget priorities. Poverty, job creation and economic growth, education—the great equalizer, especially early childhood education—and health care are areas where family physicians wish to be part of the solutions since they impact on the health and well-being of the people that we serve throughout this province.

We believe that budget 2010 is a fork in the road: The government can demonstrate strong fiscal management by choosing to invest in high-quality health care rather than repeating the mistakes made in the 1990s. The 1990s demonstrated that stop-and-go funding is costly in the long term. Steady, predictable funding with strategic investments would have produced the results the public expects of the health care system without the ensuing chaos, and we believe that this is not the time for another round of stop-and-go funding.

We need to be planning for the tsunami in aging, and it must begin now in order to have the resources in place for the next decade. Setting up a multisectoral planning body at the provincial level to plan and coordinate strategic improvements in the system, which can then be implemented at the LHIN level, is one of the areas that we would really like to focus on.

We really need to refocus attention on that transformational agenda—again, just emphasizing the cost-effectiveness of the system we set out to build over the past few years. We need continuous investments in order to ensure that every person in Ontario ends up with the majority of their care provided in a family practice by a family doctor and an interprofessional team, and we want them enabled by EMRs and electronic health records; eHealth must rise again.

Invest in research, education and continuing professional development, the primary care infrastructure and an integration strategy in order to support a strong family medicine and primary care sector.

We really want you to invest in child health and in community mental health and addiction services to reduce the need to provide care in costly hospital settings or in long-term-care facilities.

Establish an expert panel to identify the tests, the practices and the procedures that have little or no impact on patient outcomes or patient satisfaction, and then invest in subsequent steps to discourage or limit such practices.

Ensure a province-wide, and indeed a country-wide, understanding that health care is truly an economic investment rather than a cost centre. It's one that results in a productive workforce, it confers a competitive edge on our business community, and it's one that has the opportunity to export the knowledge that Ontario has been deriving as a result of the transformational agenda. We know how to do primary care and family medicine very well. We should be exporting our knowledge elsewhere.

Again, invest in family medicine—this is truly the fork in the road. We can slash and burn, as we did during the last recession, or we can strategically invest in those initiatives that we know will make the system stronger and more sustainable in the first place.

We trust that you will make the right decisions and we will stand by you 100% as we work together to restore Ontario to a very strong financial footing. We've already begun that work. As you can see, we always do our homework, we always do our papers. They're here, with a plan for you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. I will turn it over to Mr. Arthurs.

Mr. Wayne Arthurs: Jan, thank you very much for the presentation this afternoon. We've heard during our seven days now from a broad sector in the health care field, quite a substantial range—everything from the hospitals, to ways to keep folks out of the hospital, to the need to get people out of hospitals quicker and into home care and break that burden. We've heard from nurses and we've heard from long-term-care professionals, so there's quite a range.

1550

In the little bit of time we have, I really would like if you would take just a couple of minutes and speak a little more to planning for the tsunami in aging, planning for the baby boomers. It's not the critical back-breaker for the 2010 budget, but I think it's one of those matters that we've touched on and we need to begin paying more specific attention to. I would welcome your comments in that regard so that as we begin thinking forward on this very critical issue, we get some early insights.

Ms. Jan Kasperski: We have, over the course of time—and it's why I started with the 1960s—developed a health care system that tends to treat people after they get sick rather than really working with them to stay as well as possible. I was at a conference not so very long ago when one of the gentlemen who is on Oprah and Dr. Oz quite frequently was talking about blue zones in the rest of the world. He's identified seven areas where people tend to live to 100 or 110. There are commonalities in these areas called the blue zones: really good nutrition, exercise and having a community that em-

braces you. It's a group of communities in which the word "retirement" does not occur; people simply keep on contributing to their communities in a way that they always have.

I think we have a lot to learn in terms of the ways in which our senior population can stay as healthy as possible. We concentrate on chronic disease management and prevention when we really should be concentrating on keeping people who may have disorders as well as possible for as long as possible. A lot of that work takes place within the family practice environment, but we can't do it alone. I think the government has been investing tremendously in family health teams and other models to really support family doctors and to keep as many people as well as possible.

When we looked at the emergency wait time/ALC strategy, we really saw tremendous opportunities in being able to keep people out of hospital in the first place. Some of it is just good, solid medication management so that we're not utilizing medications that are interacting and making people sicker than they were before. It's making sure that our communities are walkabout, so we've been doing a lot of work on climate change, urban sprawl and pesticides, and a lot of work on healthy child development and the like—and a lot of it does start in those early years. So I think our message has always been one of how important the zero-to-six arena is: Early childhood education, good parenting and good nutrition during those years are really vital. Having regular checkups and stopping smoking, all of those good things, are the kinds of messaging that family doctors deliver, but when we deliver it with the support of an inter-professional team we can actually do the job.

Mr. Wayne Arthurs: And with our aging population, the about-to-be seniors or those who are there, I think part of your comments were on wellness and health promotion, not to lose your focus on wellness just because you're aging, as well as community activity and exercise—but more of a focus on that as people move into the early senior years, if one can call it that, when we begin to forget about that and think we now have to deal with illness as opposed to wellness?

Ms. Jan Kasperski: Absolutely. Some of the strategies that are part of the wait time strategy—hip and knee surgery and cataracts—are oftentimes disabling types of conditions. Once people's hips are fixed and they can see better, they're out and about and doing things much more appropriately. So even when you look at the kind of acute care focus that we've had over the last while, some of it is actually leading to health. We're certainly working right now on the diabetes strategy, and it's a disease of every organ. It's certainly there because of the habits that we've adopted over time. We're car-driven communities and we really need to get out and walk.

The whole of the primary care reform initiatives have really been to transform the system from one of acute, episodic care to much more focus on health prevention and promotion.

I think we need to really take good care of our seniors and to make sure that they feel that they are able to contribute, so releasing the mandatory 65-and-out rule is a very positive step forward. I'm an example of someone who would have been out not very long ago.

Mr. Wayne Arthurs: No, it can't be true.

Chair, thank you so much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee this afternoon, and thank you all. We are adjourned until 9 a.m. tomorrow morning.

The committee adjourned at 1555.

Continued from back cover

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Standing Committee on Finance and Economic Affairs

Pre-budget consultations

Comité permanent des finances et des affaires économiques

Consultations prébudgétaires

Chair: Pat Hoy
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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

Wednesday 3 February 2010

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Mercredi 3 février 2010

The committee met at 0901 in room 151.

PRE-BUDGET CONSULTATIONS

The Vice-Chair (Mrs. Laura Albanese): The Standing Committee on Finance and Economic Affairs will now come to order. We are pleased to start the third day of consultations in Toronto for the pre-budget 2010.

For those present, I just would like to remind them of the protocol. Each presentation is a total of 15 minutes. The presenter is allowed 10 minutes for their presentation, and then that will be followed by five minutes of questioning. The questioning goes in rotation and the first one will go to the official opposition.

CITY OF OWEN SOUND

The Vice-Chair (Mrs. Laura Albanese): Having said that, we welcome our first presenter, the mayor of the city of Owen Sound, Her Worship Ruth Lovell Stanners. Please identify yourselves before you begin for the purposes of our recording Hansard.

Ms. Ruth Lovell Stanners: Good morning. I'm Mayor Ruth Lovell Stanners, from the city of Owen Sound.

Mr. Jim Harrold: I'm Jim Harrold, city manager.

Ms. Ruth Lovell Stanners: First, I would like to thank you very much for including us in today's deliberations. We really appreciate the opportunity to speak.

For those who don't know, Owen Sound has a population of 21,500 and is located in the Bruce–Grey–Owen Sound riding. We're a little short of representation right now, because our member is on a holiday—

Mr. Peter Shurman: We heard that.

Ms. Ruth Lovell Stanners: —so we're here, stating our case.

Mr. Michael Prue: Oh, that's putting it gently.

Ms. Ruth Lovell Stanners: Yes, it is.

We're about three hours northwest of here. We have the only commercial shipping port left on Georgian Bay and a mixed economy that provides stability yet has not been immune to the economic downturn in 2009.

Like some other small cities in the province, Owen Sound provides service to a wide region that is mostly rural. Our daytime demand for infrastructure and service is much greater than our resident population would indicate. We go up to a population of about 45,000 during the day.

We know that yesterday you received a delegation from the Association of Municipalities of Ontario. We are members of AMO and support its objectives and what it does. Yet we also appreciate that with one strong voice, AMO must speak for a very wide constituency across the province. Sometimes, from necessity, that voice can skip some important local messages. As we all know, all politics is local, so today we bring you our local message to supplement the voice of AMO.

We would like to accomplish two objectives. We want to raise a couple of overarching financial concerns that we hope the upcoming budget will address: first, the uncertainty and inconsistency of the Ontario municipal partnership funding, which we will refer to as OMPF from here on; and second, the need for more effective regional cost-sharing, particularly addressing court security costs.

Our second objective is to provide for consideration some suggestions that can address the challenges confronting small cities while addressing some key provincial strategies.

Let me start with OMPF. The current OMPF formula for funding favours small, rural and northern communities over regional cities. Communities similar to Owen Sound that have over 10,000 citizens, are urban and are not in northern Ontario may eventually receive almost nothing from OMPF. For the last several years, we have received just over $2 million, and we raise $20 million in taxes. To lose $2 million is equivalent to a 10% tax hike.

Let me be more specific: Of the nine lower-tier municipalities in the county of Grey, the one that provides most of the regional services for the area, that being Owen Sound, may receive the least amount of OMPF grant funding. By comparison, another urban municipality within our county with a population of under 10,000 citizens will be receiving $2 million in OMPF funding from the province. Also, a largely rural municipality that provides very few regional services to area residents will be receiving nearly $2,500,000 in OMPF grant funding. What logic can explain these apparent discrepancies to the city of Owen Sound taxpayers?

Beyond the confounding formula, there is the problem of uncertainty. This year, all municipalities learned of a dramatic funding change in late December along with some vague foreshadowing of what might happen next year. We encourage the budget to be clear as to what might happen in future years. These dramatic changes

require strategic, not tactical, responses, and we need to know how the funding will unfold in the future. Please help eliminate that mystery.

We urge you to advocate that the minister revisit and renew the OMPF formula to be fair to all municipalities. The current formula is flawed and needs attention.

Court security costs: Currently, those municipalities that are home to a provincial courthouse must bear the full costs and responsibility of providing court security. The unfairness of this situation is so obvious that it hardly needs any further discussion. For the provincial courthouse in Owen Sound, over 50% of the caseload is for non-Owen Sound residents.

As part of the Provincial-Municipal Fiscal and Service Delivery Review, there is to be a new cost-sharing of court security costs to the province beginning in 2012, with full implementation in 2018. It is imperative that full implementation of all court security costs is completed as soon as possible. Yet even when it is implemented, cities like Owen Sound will be left carrying a burden of costs generated by the residents of other municipalities. This situation may exist in many locations, but our message today is that its impact is amplified in small cities with large regions. The proportionality is dramatic.

In fact, yesterday I had a conversation with Mike Harding, the mayor of Woodstock, and they're finding themselves in this same position and will no doubt be asking for some help.

As the provision of the judicial system is not a municipal responsibility, the costs for courthouse security should no more be a municipal responsibility than the cost of courthouse building maintenance. Some may say that the payment in lieu of taxes on courthouses should offset the costs of court security. Municipalities collect PILs to provide services that all property taxpayers have the right to avail themselves of, such as road and street maintenance, fire and police services, planning, recreation and a myriad of other services. However, with no other property taxpayers does any municipality then extend services to include the provision of on-site security other than to courthouses.

Of course, our first choice for a remedy would be for the province to truly upload court security costs immediately, because the unfairness of this situation has already gone on too long. However, we recognize the negotiated agreement that is in place and, as such, we encourage our financial stewards to address this injustice by providing small cities the statutory authority to allocate costs to the municipalities that generate the need for security. The Thomas report recommended that court security costs be distributed appropriately amongst all lower tiers in a region.

0910

Some of you will recognize that we have been somewhat of a tireless voice on court security matters. We have previously offered ideas of covering court security through POA revenues or through court-related fines or fees. We believe the province needs fresh thinking on court security. The uploading limit of $125 million is capped at an estimate of 2008 costs, and this means there will always be some burden of court security costs on municipalities like Owen Sound. You need to encourage a proper source of funding for these security costs other than the market-assessed property taxes in the host municipality.

I now turn to address our second objective of other ideas for consideration in the provincial budget. We encourage the province to consider allowing seniors to write off property taxes as an expense against income. Yes, this could create some tax room for municipalities, especially in small cities where the proportion of seniors is higher, but it would also provide encouragement for seniors to remain in their homes longer—a strategy that fits the health and social objectives of the province.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds left.

Ms. Ruth Lovell Stanners: The cost of this approach is minimized because of the lower incomes of many retired seniors, yet the benefit seems to have a very strong upside. We do not have ready access to the data necessary to provide a full financial assessment of this approach, but we think it is an idea whose time is right.

Our seniors population is poised to increase dramatically, our institutions and policies would benefit from seniors staying in their homes, and cities may have slightly more tax room. We also know that the province has significant financial challenges, and we believe that seniors able to stay in their homes are more likely to be part of an active economy.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Unfortunately, the time is up, so I will turn it over for questions to Mr. Shurman.

Mr. Peter Shurman: Thank you, Mayor Stanners, for an interesting presentation—and we say that to everybody, but in your case, particularly so. We've heard from so many municipalities, large and small, in our travels for the last week and a half, and you've presented a couple of ideas that really haven't been put on the table yet.

I'd like to work backwards from the seniors' property tax writeoff idea, which I think has a lot of merit. I myself had a private member's bill that failed last year—for reasons that don't matter, at this point, anyway—that would have allowed seniors not to write off their property taxes, but to defer them at a nominal interest rate until either their death or the sale of their home. I thought it was a good idea. These kinds of schemes exist but there's no take-up on them because they're disparate all over the province.

The point is that you raise a valid issue. We're all talking about seniors staying in their home as long as possible. We're all talking about preserving dignity at a time when seniors' savings have been hit particularly hard by the recession, and they're on fixed incomes. So, the seniors' writeoff on property taxes—was it your feeling that it would somehow or other be a quid pro quo for the increased electricity charges or whatever as a result of HST?

Ms. Ruth Lovell Stanners: Well, I'm not linking it directly to HST. As you mentioned, a lot of them have

found their incomes diminished dramatically in the last year or two. We have a very high seniors population in Owen Sound and a lot of them are on fixed incomes, and the CPP and their pensions are not keeping pace with the cost of living. So if this property tax could be written off, I think it would help seniors. We do hear from seniors as we go into tax budget times that they can't afford any more increase—and we can't afford not to.

Mr. Peter Shurman: It also wouldn't be an awful lot of money in the overall scheme of things, because when you talk about a writeoff, you're not talking about a refund. You're talking about a tax deductibility option for a person who's not on the earning side but rather living off retirement income of some sort. Some of them are high but most of them aren't. So I thank you for putting that on the record.

The other thing is the issue of court costs, which is a concern, again, raised for the first time in the course of these hearings only by you and your city. It seems grossly unfair. Can you walk us through briefly again—because I know you alluded to it—how you see the reapportionment of those funds?

Ms. Ruth Lovell Stanners: We would like to have the legislative authority to simply bill the municipalities directly for the service that we're providing in terms of court security. While 50% is high—when I say that many of the cases are Owen Sound cases—the other municipalities' residents who are using the courts are our cost, the security is our cost. So we would just bill back to the municipalities. Right now, we can't.

If you can work out an agreement with your upper tier, that's ideal. Sarnia has done that, but they're the only ones that I know of that have worked out an arrangement that is satisfactory to both sides. We haven't been able to go there in Grey county.

Mr. Peter Shurman: Thank you.

Mr. Norm Miller: Thank you for your presentation. I was interested in your point about OMPF funding and the inconsistency of it. You mentioned that there were late-December budget changes. What specifically were those changes?

Ms. Ruth Lovell Stanners: We lost $400,000 from our former funding in Owen Sound.

Mr. Norm Miller: And you just learned about that in December?

Ms. Ruth Lovell Stanners: In late December.

Mr. Norm Miller: Well, that is interesting, because I think it's certainly not fair to you when there are only a few months before the start of the new budget year, being April 1.

Ms. Ruth Lovell Stanners: It isn't fair.

Mr. Norm Miller: And it makes it very difficult for you to plan, going forward, as to what you're going to do.

Interjection.

Ms. Ruth Lovell Stanners: It actually was January.

Mr. Jim Harrold: Our budget year is January 1.

Mr. Norm Miller: Okay. So it's impossible—

Ms. Ruth Lovell Stanners: It's impossible.

Mr. Norm Miller: —for you to plan on what you're going to do.

Ms. Ruth Lovell Stanners: We're going into our third full day of pre-budget meetings tomorrow. We have to keep going back and revisiting because of—

Mr. Norm Miller: So I assume, then, you've made all your plans and decided everything, and then you get this last-minute change so you have to go back and revisit it all.

Ms. Ruth Lovell Stanners: That's pretty well it. We have two days set aside to see if we can deal with the shortfall, which is at least a 2% increase in our property tax.

Mr. Norm Miller: And what would that mean for the average family?

Ms. Ruth Lovell Stanners: It's $300.

Mr. Norm Miller: It's quite significant, then. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation this morning.

Ms. Ruth Lovell Stanners: Thank you. We appreciate the opportunity to present to you.

ONTARIO CONVENIENCE STORES ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): We'll now call on the Ontario Convenience Stores Association to come forward. Good morning. You will have 10 minutes for your presentation. That will be followed with five minutes of questions, and this rotation will go to Mr. Prue and the NDP. You may begin after you state your name for Hansard.

Mr. Dave Bryans: Good morning, everyone. I'd like to thank the members of the committee for affording me the opportunity to testify today in front of you. My name is Dave Bryans. I'm the president of the Ontario Convenience Stores Association.

Our association represents close to 10,000 convenience store retailers in the province. We're located in every town, city and village in Ontario. These stores together represent about $15 billion a year in sales, and over three million Ontarians a day come into our stores in every community. In addition, we directly employ over 50,000 Ontarians in our industry.

Today, however, the convenience store industry is at a crossroads. Growing government regulations, the economic climate, and the runaway trade in contraband tobacco have put substantial pressure on our members. Convenience stores across the province are closing as a result of these pressures. In fact, over the last two years almost 1,500 small family convenience stores have closed in Ontario.

It may come as a surprise to you, but tobacco products make up anywhere from 35% to 75% of the average convenience store's daily revenue. The impact on convenience stores of contraband tobacco is not only the loss of direct sales, as in the sale of legal cigarettes, but also

the drop in foot traffic and the impulse and secondary purchases that go with that foot traffic.

Contraband tobacco remains one of the most serious problems our industry and indeed this government face today. Contraband cigarettes are illegal cigarettes that are sold without any taxes being collected and do not adhere to any government-mandated health regulations.

The vast majority of illegal cigarettes originate in illegal factories in Canada and the USA. The RCMP estimates that close to 90% of illegal tobacco is smuggled into this country in and around Cornwall, Ontario.

0920

Contraband cigarettes' share of the Ontario market has skyrocketed from 24% in 2006 to a whopping 49% today. These cigarettes can be found in the homes of one out of every three smokers in the province. The Canadian Cancer Society and the Heart and Stroke Foundation have addressed contraband as the single biggest cause of increasing smoking rates among youth and adults. In 2007, the Ontario Auditor General estimated the lost taxes to the Ontario treasury alone to be $500 million. Extrapolating the tax losses by the contraband growth rate today would place the loss at about $1 billion this year. Contraband tobacco represents nothing less than a crisis today, not only for convenience stores but for society as a whole.

Over the past year, the province has taken some positive steps in combating contraband tobacco, including applying penalties to end users and increasing enforcement. Unfortunately, these measures have not reduced the level of contraband. Additional enforcement, while part of the solution, is not the cure-all. Today, Ontario's laws present a hindrance to combating organized crime, reducing law enforcement effectiveness and requiring duplication in role and responsibility. Treating a major source of revenue for organized crime as simple tax evasion is neither intelligent nor effective.

Currently, contraband tobacco is combated by both the enforcement arm of the Ministry of Revenue and the RCMP. Should an OPP or municipal officer encounter contraband through their daily activities, such as a simple traffic stop, either the Ministry of Revenue or the RCMP must be brought in to complete the investigation and lay the charges. This does not need to be the case for Ontario. In Quebec, for example, recently passed legislation Bill 59 empowered local police to enforce provisions of the Tobacco Tax Act without the assistance of other agencies. This is a model which should be looked upon by Ontario and implemented as soon as possible. In addition, much like in Bill 59, Ontario should act to more closely license tobacco manufacturing while placing limits on ownership of tobacco manufacturing equipment.

Lastly, the province should shift the point in the supply chain where taxes are collected. By collecting all taxes at the manufacturing or wholesale level, the province would simplify the process of tax collection and avoid the potential issue of diversion of legal cigarettes into the underground economy, as was the case in the early 1990s.

Another issue of concern to Ontario convenience store operators is the new harmonized sales tax. While we applaud the McGuinty government for implementing this courageous tax reform plan and recognize the significant administrative and direct savings which will accrue to our members as a result, we can't ignore the potential negative effects on the contraband tobacco trade. In 2002, the tax structure in Ontario on tobacco was restructured, removing the provincial sales tax while shifting the equivalent amount on to the provincial tobacco tax. This was done to change the point of tax collection to the wholesale level in order to combat what was then seen as a growing bootlegging problem. Legal cigarettes, which are marked by a yellow tear tape—they're called Ontario marked products—were being diverted from tax-free sales on aboriginal reserves back into the legal channels to avoid paying Ontario taxes.

As you can see, the HST, while replacing the PST on most goods, is not replacing the PST equivalent placed on tobacco products. This change will increase the yellow band bootlegging margin to 13%, or $9.26 for the average carton of cigarettes. In addition, the HST increases the economic incentive for consumers to seek out contraband tobacco by increasing the price of tobacco products sold in our stores and legal outlets. An increase in economic incentive will increase the contraband problem, notwithstanding additional enforcement.

So where can the government go from here? The 2010 budget must include funds to create a dedicated joint OPP/Ministry of Revenue task force to combat contraband as a pilot project, to continue as needed until necessary changes can be made to the law to allow direct OPP and municipal enforcement of the Tobacco Tax Act. This initiative, if successful in decreasing the market share of contraband, will likely more than fund itself right away.

Furthermore, the budget should consider reorganizing the taxation of tobacco to ensure tax is collected at either the wholesale level or the manufacture level to counter typical tax avoidance strategies. This would guarantee all levels of government their tobacco taxes.

Lastly, the budget should set aside funds to strike an industry-government task force on the regulation of tobacco manufacturing implements to ensure that organized crime cannot set up shop manufacturing cigarettes right in our backyard.

Finally, the convenience store sector takes the responsibility of selling age-restricted products very seriously. From tobacco and lottery to magazines and fireworks, our sector sells more age-restricted products than any other retail outlet in this country. As a result, we are proud of the work and effort we have invested in the development of our responsible-community-retailing model, which includes the widely recognized We Expect ID training program.

Recently, we launched a brand new online training system for our members to thoroughly educate, train and certify their employees in a wide range of skills. We believe our We Expect ID training programs can assist all Ontario retailers in controlling age-restricted products

from reaching the hands of any minor. As an example, Ontario Lottery and Gaming now provides retailers with the ability to confirm a customer's age on the lottery terminal in each store with a simple swipe of their driver's licence.

We believe this sharing of common goals and training programs will protect our youth and can be achieved at a lower cost than having different government agencies and retailers each doing their own individual programs.

Secret shopping tests are being completed by Alcohol and Gaming, Ontario Lottery, smoke-free Ontario—including 36 health boards and over 200 tobacco enforcement officers—and our retail members. Sharing the results and costs would be a benefit for everyone.

As our program is rolled out, we request the government work with us on a financial commitment to ensure this model continues to be delivered with the highest possible standards so that all Ontarians benefit.

We in the convenience store industry represent a significant component of Ontario's economy. With convenience stores in every community, large and small, we hope that the government continues to recognize and support our industry as a vital contributor to our province's economic regime.

Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your submission. I would now ask Mr. Prue to begin the questioning.

Mr. Michael Prue: Thank you very much. I think you quite correctly point out that the government of Quebec has done what is necessary to try to stem the flow of illegal tobacco. This province has woefully done almost nothing. Would you agree with that statement?

Mr. Dave Bryans: Yes, if you sat where I sat. We sort of get pointed in each direction. We want to work with the government and this committee to somehow correct this wrong in society.

Mr. Michael Prue: You have raised the issue of the new HST on tobacco products and how this is going to increase the costs of tobacco in legitimate retailers such as your own. You are not the first person that has come forward. The construction industry has come forward and said, "This is going to drive services underground." Although not to this committee, groups like Molly Maid have talked about the maid services and cleaning services across Ontario being driven wholly underground.

If the HST goes ahead, and it appears likely headed in that direction, what decrease do you foresee in tobacco sales as more and more people, I'm sure, will go underground?

Mr. Dave Bryans: First off, it's a great question. We're quite concerned because it will drive about 20% more of the adult smoking population underground or out to aboriginal reserves to purchase their products.

But, more importantly, the government—we're not against tobacco taxes. We're not against taxation. All we want to do is collect it at the source and make the playing field even. Small business isn't saying to the government, "Don't increase tobacco taxes." What we're saying is, "Let's make the playing field even. Let's collect the taxes on all products from all sources, and our business models will continue."

At the rate it's going, because 85% of all cigarettes are sold in the convenience sector—unfortunately, that's how it is in Ontario—it does hurt the small ma-and-pa stores in every community.

Mr. Michael Prue: I understand you're not opposed to the HST, but it's quite clear the implementation of the HST is going to drive a great a many services and goods underground, tobacco being one of them.

Mr. Dave Bryans: Definitely.

Mr. Michael Prue: This is obviously going to hurt your industry in the long term.

Mr. Dave Bryans: Immensely.

Mr. Michael Prue: How does the government go about licensing production of tobacco? I mean, it's a machine. How do you license a machine?

Mr. Dave Bryans: Well, there are only so many people who can make packaging. There are only so many people who can make filters. There are so many people who can supply raw materials. Therefore, there is a direct line of those products. But I'm not an expert in production. All I am is an expert in how we can collect the taxes to ensure the playing field is even, because we don't want the yellow band products that we saw in the 1990s to be moved in and out of aboriginal reserves, as we saw in the early 2000s, and delivered to stores around the province with a tax avoidance of another $9. The incentive for the underground economy and organized crime is huge if this goes down this road.

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Mr. Michael Prue: You talk about the necessity of determining who is a minor and who is not a minor. How are retailers trained at this particular task?

Mr. Dave Bryans: With the We Expect ID program. There is a brochure in each package showing the seven training programs available online for all of our members in French, English and Korean. So we work with all three levels.

We also have, in every store—basically, 90% of the stores—a lottery terminal to swipe your driver's licence. If you stopped on your way home today at any convenience store and asked them to test you for age in the terminal, in one second they will know how old you are. The magnetic strip picks it up. It doesn't say if you're male or female; it doesn't say where you live; it just tells the clerk that that person with that picture is of an age to buy tobacco or not of age, or any other age-product. We have—and we've tested ourselves against the LCBO and The Beer Store—the best age-testing program in Canada, and we're now licensing it to other countries. That's how well it has been taken.

Mr. Michael Prue: Do I still have time?

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Michael Prue: When this was first implemented, there were a number of convenience stores, including a couple in my riding, that got hit for selling underage

tobacco. I haven't seen too much of that. Has this problem largely been rectified?

Mr. Dave Bryans: We're working at it every day. We offer training to every employee. We'd like to work with the government in government committees to say, "How do we certify and train in every community?" Every part-time, new—because most people get their first-time job experience in the convenience sector. If we could find a way to work with government to make sure that they're all tested—something like Smart Serve training—then we would have the best model. We Expect ID has worked towards that and made us better at age-testing than the LCBO and beer stores in this province—because that's how we measure ourselves against them.

Mr. Michael Prue: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before our committee this morning.

CONCEIVABLE DREAMS

The Vice-Chair (Mrs. Laura Albanese): I will now call on Conceivable Dreams to come forward. Good morning.

Ms. Joanne Horibe: Good morning.

The Vice-Chair (Mrs. Laura Albanese): You will have 10 minutes for your presentation, and that will be followed by five minutes of questioning that, on this rotation, will go to the government side. If you could please state your name before you begin for the purposes of our recording Hansard.

Ms. Joanna Horibe: My name is Joanne Horibe.

The Vice-Chair (Mrs. Laura Albanese): Thank you, and you may begin.

Ms. Joanne Horibe: Good morning, committee members. Thank you for the opportunity to present today.

My name is Joanne Horibe. Two years ago my doctor told my fiancé and I that it would take an act of God for us to get pregnant on our own. Since then, we have postponed our wedding to save money for treatment, spent tens of thousands of dollars on drugs and treatment and suffered disappointment and heartbreak to pursue our dream of having a family.

I'm not sure how many of you have children, want children, even like children, but I suspect that all of us can appreciate the importance of strong, healthy families and what they provide, not only personally but for a strong, healthy Ontario and an economy as a whole.

I started Conceivable Dreams: The OHIP for IVF Coalition two years ago with two other infertility patients to provide a collective voice for those of us who want to create a family and can't for medical reasons. We now have over 1,100 Ontario members, and on behalf of all of us, I'm here today to request that you implement funding for in vitro fertilization.

Infertility is a serious medical condition with huge economic, social and personal consequences. One in six Ontario couples struggles with infertility. In vitro fertilization, which I'll refer to as IVF going forward, is one of the most safe and effective infertility treatments. IVF can control the number of embryos implanted and therefore ensure that one healthy baby is delivered at a time.

Many Ontarians could conceive through the use of IVF; however, the cost is beyond the financial reach of most families. With virtually no public funding of IVF treatment in Ontario, many infertile families are resorting to less costly, less effective and more dangerous alternatives, such as ovarian stimulation with hormone injections, all to boost their odds of getting pregnant. These less-than-optimal treatments significantly increase the risk of multiple, preterm births and the severe medical and developmental problems that result from these births. For moms, these pregnancies are also associated with an increase in medical complications such as gestational diabetes and hypertension of pregnancy.

Why is this the government's problem?

Preterm and multiple births resulting from cheaper, less optimal treatments create huge costs for the government, including:

—increased health care spending to cover the mother's and infants' hospitalization costs;

—lifelong health care and social services spending to cover the costs of long-term physical and mental disabilities, which occur more frequently in multiple, preterm births;

—increased home care costs;

—increased child care expenses and the likelihood of one parent ceasing to work; and

—increased need for ongoing government-funded medical and social support, sometimes for the life of the preterm infant.

In fact, the Canadian Institute for Health Information estimates that the average lifetime cost of a multiple birth child in Canada is $520,000. In Ontario, the rate of multiple births resulting from assisted reproduction technologies is currently estimated to be 27.5%.

As you can see, the current costs to the government are significant. By providing upfront access to optimal, regulated infertility treatment, the government will avoid most of these back-end costs.

The government of Ontario has done considerable work, including formally commissioning two separate studies to look at what needs to be done to address this critical issue. In the last four years there have been two expert committee recommendations supporting public funding for IVF in Ontario.

In 2006, the Ontario Minister of Health mandated an arm's-length expert committee, the Ontario Health Technology Advisory Committee, or OHTAC, to look into the issue of infertility funding. In January 2007, based on evidence-based analyses, OHTAC made recommendations to the Ontario health minister to increase access to IVF treatment.

In 2007, the McGuinty Liberal Party platform made a commitment that a Liberal government would help more Ontarians realize their dream of having a family by recommending ways to make infertility treatment more affordable.

In July 2008, the government of Ontario launched its second formal study on infertility funding by creating its own Expert Panel on Infertility and Adoption. One of the mandates of the expert panel was to make recommendations to government on how to make fertility treatment more accessible and affordable.

In August 2009, the government of Ontario's own expert panel final report once again recommended funding IVF treatment. The McGuinty government's expert panel concluded that public funding of IVF will not only improve the health of mothers and babies, but it will also reduce hospital and other health care costs.

In fact, the expert panel's research found that Ontario could save $400 million to $550 million over the next 10 years by tying public funding of IVF to more stringent criteria limiting the number of embryos transferred and therefore reducing the incidence of multiple births. The province would see another $300 million to $460 million in savings that would have been spent on these children over their lifetimes, and the savings in health and social service costs would more than offset the cost of providing assisted reproduction services, currently estimated to be less than $60 million per year.

To quote expert panel chair David Johnston: "The province can't afford not to finance IVF."

I also want to highlight the expert panel's conclusions that Ontario is out of step with a number of other jurisdictions that fund IVF. Australia, the United Kingdom, Israel and almost all members of the European Union publicly fund IVF treatment. Such public funding has resulted in significant decreases to the multiple-birth rate in those countries; for example, Australia's is 11%, Belgium's is 7%, and Sweden's is 5%, all compared to Ontario's rate of 27.5% that I referred to earlier.

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Closer to home, the Quebec Charest government has acted decisively. During the 2008 Quebec provincial election, Premier Charest promised to provide support for couples facing fertility challenges. Just a few months later, in April 2009, the Charest government announced full funding for three IVF cycles and all of the required drugs. We understand that this funding will start April 1, 2010.

In addition, the government of Manitoba committed in their 2009 throne speech that they will provide financial assistance to assist couples with the expense of fertility treatment within the coming year.

So although Quebec and Manitoba are also suffering in this economic downturn, they realize the importance of investing in infertility treatments now for our future.

Conceivable Dreams would like to applaud the Ontario government for undertaking considerable research since 2006. But the time for study is over, and the time for action is now.

To recap, there have been four years of study; two separate government-sponsored reviews; very clear economic evidence proving the cost-benefit of IVF funding; and very clear recommendations in favour of IVF funding from both OHTAC and the Ontario expert panel.

Please, act now and implement the IVF funding recommendations as part of the 2010 Ontario budget. We need strong, healthy families to foster a strong and healthy Ontario, and we can't afford to wait any longer.

Thank you for taking the time to consider this important request.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. The questioning will go to Ms. Sandals.

Mrs. Liz Sandals: Thank you very much for your presentation. I wonder if you could give us a bit more information. You've noted the high cost of treatment and potential savings, but I can't find anywhere in here that you've actually talked about the cost of the IVF treatment you're proposing. So could you tell us, if a couple goes, what is the cost of that IVF cycle of treatment?

Ms. Joanne Horibe: The average cost per cycle is about $10,000.

Mrs. Liz Sandals: How many cycles do people typically go through?

Ms. Joanne Horibe: It really depends. Given that they're paying completely out of pocket, it often depends on their financial situation.

Mrs. Liz Sandals: No, I meant, how many cycles on average are required until there is a successful conception—or at least, a successful birth?

Ms. Joanne Horibe: From what I've read—I'm not a doctor—three cycles is the optimal number.

Mrs. Liz Sandals: So three would be typical—

Ms. Joanne Horibe: Not necessarily typical, but on average.

Mrs. Liz Sandals: On average.

Ms. Joanne Horibe: Yes.

Mrs. Liz Sandals: So the typical cost would be $30,000.

Ms. Joanne Horibe: Yes, and that's including medications, which are a significant cost.

Mrs. Liz Sandals: The studies you're referring to identified cost savings which are based on the assumption that there would be single births as opposed to multiple births. I take it that's what the cost savings are based on. Are you suggesting, then, that in order to reap those savings, we would be banning ovarian stimulation, so that you wouldn't get the multiple births that are associated with ovarian stimulation?

Ms. Joanne Horibe: What the expert panel has recommended in its report is tying public funding to increasing regulation, in terms of the numbers of embryos transferred. So yes, they would recommend tying funding to what we call single embryo transfer so that only one embryo would be transferred at a time, so that the maximum you could have is one baby as opposed to the multiples.

Mrs. Liz Sandals: But if you go the IVF route, there would only be one embryo implanted. What about the ovarian stimulation route, which is currently leading to multiple births in large numbers? Are you suggesting, then, that if you were going to publicly fund IBF, you would prohibit the use of ovarian stimulation?

Ms. Joanne Horibe: One of the recommendations is accrediting the clinics, and so, again, there would be greater regulation on such things as ovarian stimulation—on methods other than in vitro fertilization.

Mrs. Liz Sandals: What I'm trying to understand is that the identified savings are because you would have a single birth instead of a multiple birth. So what I'm trying to figure out is, for that equation to work, how do you restrict the number of multiple births? I understand that if you go to IVF, you would simply restrict the number of embryos that are implanted. But how do you restrict on the other side if you still have private clinics that are doing ovarian stimulation?

Ms. Joanne Horibe: Again, I think the one way is through greater regulation. They recommend tying the funding to the clinics in order to maintain their accreditation, reducing their multiple-birth rate.

Mrs. Liz Sandals: And what would be the criteria for a couple to access IVF? What would be the criteria to be eligible?

Ms. Joanne Horibe: I'm not a doctor; I can't speak to that. But I would think it would be as recommended by these regulations as well as getting doctor input.

Mrs. Liz Sandals: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this morning.

ADVOCACY CENTRE FOR TENANTS ONTARIO

The Vice-Chair (Mrs. Laura Albanese): Now we invite the Advocacy Centre for Tenants Ontario to come forward. Good morning. You will have 10 minutes for your presentation. If you could please identify yourself for the purposes of our recording Hansard before you begin.

Mr. Kenn Hale: Thank you, Madam Chair and members of the committee. My name is Kenn Hale. I'm the director of advocacy and legal services for the Advocacy Centre for Tenants Ontario. My colleague Mary Todorow, who's our policy analyst, is here with me to help me with any questions. Thank you for inviting us to present today.

We're a community legal clinic with a province-wide mandate to engage in legal work to improve the housing situation of low-income Ontarians. We're funded by Legal Aid Ontario to do this work and we've been around since 2001.

As you're probably aware, the Ministry of Municipal Affairs and Housing is engaged in a consultation process to develop a long-term affordable housing strategy. We participated vigorously in that process and we're really looking forward to their recommendations.

We included a number of recommendations there to amend the Residential Tenancies Act and the Social Housing Reform Act based on our belief that the people of Ontario have a right to secure, affordable homes, and that progressive laws and adequate funding can deliver that right. I guess we're here today to talk about the funding side of it as well as some of the legislative side of it.

We worked with the Housing Network of Ontario and we think that investing in affordable housing is critical to combating poverty and improving the economy. We'd like to make a few recommendations in that respect.

First, there are federal dollars available for housing, and we believe that the province should cost-match those dollars and spend that money. We're anticipating that the long-term affordable housing strategy will centre around a social housing supply program that provides stable funding and a targeted number of units each year. We're hoping it will be something in the neighbourhood of 8,000 to 10,000 units per year. We anticipate that the strategy will also provide for long-term funding for major repairs and upgrades that are urgently required in the existing social housing stock. These costs have been estimated to exceed $1.3 billion at this point.

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Commitments on these two crucial elements will mean investing in long-term employment in the building trades, and the design and building supply industries, which are all important industries in Ontario. It's also an investment in preventive health, because we believe that safe and affordable housing has health benefits in the long term that will show up in later years in your health budget.

It has been almost a year now since the Premier announced that Ontario would renovate 50,000 social housing units and build new, affordable housing units through a joint investment with the federal government of $1.2 billion. Specifically, he announced that by March 2011, which is only a little more than a year away now, Ontario was going to spend:

—$352 million to repair social housing units and make them more energy-efficient;

—$185 million to create new, affordable housing for low-income seniors and people with disabilities; and

—$87.5 million to extend the Canada-Ontario affordable housing program.

The last reports we heard about how this spending is going were in September 2009, and that was a report by the federal government that very little of this promised funding had actually been spent. In not spending that money, we've lost the benefits of job creation and economic stimulus that work could provide.

Considering that the province would get twice the spending impact for each dollar that it invests, because of the matching federal funds, it's really crucial that the province and the feds sit down and figure out what the reason is for the holdup and get this money out into our communities before the time runs out in which you're going to be able to spend it.

We'd like to address a couple of the issues that we think are causing this holdup in the short term and in the longer term.

First, it's removing costly and discriminatory barriers to building social housing. People who build social housing often spend a lot of the scarce housing dollars in

lengthy battles at municipal councils and at the Ontario Municipal Board, to overcome planning barriers which we believe are outdated. That money should be used to fund the actual construction and not on lawyers and consultants arguing about whether or not social housing is appropriate or needed.

The province has to work with the municipalities of this province to bring those barriers down. We're talking about things like:

—limits on the use of parking requirements to exclude supportive housing;

—elimination of distancing requirements for residential use for disabled and other disadvantaged people; and

—prevention of the abuse of interim bylaws, planning studies and downzoning to exclude supportive housing from residential communities.

In all these kinds of cases, the right to housing is being subordinated to efforts to maintain or increase property values. In most cases, these housing developments have no negative impact on property values and objections to them are based on little more than prejudice and stereotyping.

As an example, for almost five years now, ACTO has been fighting efforts by the city of Kitchener to enact a zoning bylaw and official plan amendments which effectively exclude people with disabilities, people who receive social assistance and all social agencies from new developments in a downtown neighbourhood. We've been before the Ontario Municipal Board and they have expressed grave concerns about whether these laws meet the requirements of the Human Rights Code, the Charter of Rights and Freedoms and provincial and regional planning policies. The board has given Kitchener another 15 months to revise the bylaws, but we think that clearer direction in the Planning Act and provincial policy statements would facilitate the adoption of municipal plans that support the development of housing for all Ontarians, including those with disabilities and low incomes.

Another approach is inclusionary housing legislation. These are policies that require a certain percentage of new units in new developments to be affordable to households with low and moderate incomes, and we think that this is the kind of planning tool that Ontario needs. It would combat the "not in my backyard" syndrome, because affordable housing would become a normal part of any new development. Social housing groups, including municipalities, could purchase or operate the affordable units and could rent them according to local social housing eligibility policies. If subsidies were required for deeper affordability for the lowest-income households, the cost would not be as great as buying that housing in the regular private market.

Currently, there's a private member's bill, Bill 198, before the Legislature that would allow municipalities to adopt mandatory inclusionary housing policies. That bill has passed second reading and has been referred to the Standing Committee on General Government. We ask that the government either support this bill or bring forward its own similar legislation as part of the long-term affordable housing strategy. Either way, we think that the rights and responsibilities of developers and builders in contributing to the creation of affordable housing have to be more clearly delineated.

Finally, our recommendation is to increase the shelter allowance to match the real cost of housing for social assistance recipients. This is clearly a budgetary item.

Over the past five years, this government has, year by year, adopted regulations that provide modest increases to social assistance rates, but these increases have fallen far short of addressing the cost-of-living increases that have occurred since 1995, particularly with respect to rent. Some 95% of the people who receive Ontario Works benefits are tenants and only 14% of these tenants live in subsidized housing. The rest live in the private rental market. The shelter allowance component of social assistance comes nowhere near meeting the actual cost of housing for tenants in Ontario. We've provided a chart here which illustrates that gap.

As you can see from that chart, a single mother with two children receives a maximum shelter allowance of $620, regardless of where she lives in Ontario. Yet in Toronto, the average rent for a two-bedroom apartment in October 2009 was $1,096. Sixteen years ago, in 1994, the shelter allowance for this same family was $707, while the average rent for a two-bedroom apartment in Toronto was $784. There was a much smaller gap there between what was provided and what was needed, and that means, what comes out of the food and clothing budget to pay for rent?

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Kenn Hale: As part of the Ontario poverty reduction strategy, the whole social assistance system, including the architecture and the adequacy of benefits, is being reviewed, but people on social assistance can't wait until that review is completed and the recommendations are implemented. They need an increase now to ensure a decent standard of living and to be able to pay for housing, food and other necessities. The money that they receive will be spent in their communities and support the local economy.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that, and I will ask Mr. Barrett to move ahead with the questioning.

Mr. Toby Barrett: Thank you for advocating for tenants across Ontario. I know you indicated that it's been a year now since the Premier announced the program to renovate 50,000 social housing units and to build new, affordable housing units—those would be social housing units as well. You talk about removing barriers to building social housing units. In the section with respect to Ontario Works—and as an MPP, we talk to a number of people who are on Ontario Works. As you've indicated, I guess 86% of them are in the private rental market.

Mr. Kenn Hale: That's right.

Mr. Toby Barrett: What should we be doing with respect to that 86% who live in apartments? So many

people I speak with are on the second or third floor, downtown in small-town Ontario, and the conditions, especially at this time of year, for many of these people are not the best. You talk about, obviously, an increase in the money available for people on Ontario Works and I'm assuming other groups, like disability, to be able to pay rent—

Mr. Kenn Hale: Both Ontario Works and Ontario disability.

Mr. Toby Barrett: But as far as renovating and building, what do you advocate for these private sector apartments that people are living in?

Mr. Kenn Hale: One indication we've recently heard in a news report is that the city of Toronto embarked on an inspection program of apartments and found 100,000 violations of property standards bylaws that weren't being addressed. When they asked the tenants why they weren't being addressed, the tenants said they were afraid that they were going to be evicted if they complained.

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One of the solutions that we see is making tenants feel more secure, improving the legislation so that people aren't afraid to complain, enhancing their ability to go to the Landlord and Tenant Board to force repairs if that's necessary, but really just trying to improve the balance of power between renters and owners so that those things enforce themselves, that the landlords feel there will be consequences if these things are neglected.

There is the possibility of other programs that would assist owners who have financial difficulties in making repairs to their buildings and improving energy efficiency. We advocate, particularly with respect to energy efficiency, that there have to be some subsidies to ensure that all the costs of complying with our climate change and greenhouse gas obligations aren't going to fall on the lowest-income people. Certainly programs like that should be considered. Landlords have legal obligations to keep premises in repair; it's just that those obligations are difficult for tenants to enforce and the municipalities and the province haven't invested adequately in ensuring those laws are complied with.

Mr. Toby Barrett: Yes. And there are these sanctions that can be implemented—should I continue on?

The Vice-Chair (Mrs. Laura Albanese): One minute.

Mr. Toby Barrett: There's also the carrot as well as the stick. We have so much existing infrastructure. I'm a rural MPP, so I just think of so many of the downtowns in small-town Ontario, where mostly the second and third storeys are not being used—structurally sound buildings. I just wonder, as with subsidized housing, if there are any carrots that can be offered beyond enforcing the law to encourage renovation or expansion or even new build.

The Vice-Chair (Mrs. Laura Albanese): Short answer, please.

Mr. Kenn Hale: It's a resource that should be used. Those smaller centres need populations in downtown areas. I agree that ways need to be found to encourage that property to be used in that way, because there certainly is a need there.

Mr. Toby Barrett: Great. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Mr. Kenn Hale: Thank you, Madam Chair and members of the committee.

CERTIFIED MANAGEMENT ACCOUNTANTS OF ONTARIO

The Vice-Chair (Mrs. Laura Albanese): We now call on the Certified Management Accountants of Ontario. Welcome to our committee this morning. You will have 10 minutes for your presentation. There could be five minutes of questioning afterwards. This rotation will go to Mr. Prue. If you could state your name before you begin, that would be appreciated.

Mr. Merv Hillier: Good morning, and thanks for the opportunity to speak with you. My name is Merv Hillier and I'm the president and CEO of the Certified Management Accountants of Ontario. With me is our director of public affairs, Angie Brennand.

First, just a little bit about the Certified Management Accountants: We are a regulatory body, a professional organization focused in accounting and also in management and strategy. We have 50,000 members in Canada. Half of those are in Ontario. So when you think about the representation of business in Ontario, with 25,000 members here, certainly our members have a big influence on the decisions that their companies make and are very concerned with and interested in the direction that the government goes in as it relates to their own businesses. Our members, like I said, hold leadership positions, whether it's CEOs or CFOs. The decisions they make affect the lives of their employees and also the future of their business.

Our objective today, as we present to you, is, we did a survey of our members in late 2009, in December, and we got the results of that survey just a few weeks ago. We compiled the results and we're just going to summarize that for you so that you can hear what your constituents are saying with regard to what they believe needs to be done in Ontario.

The good news is this: Compared to last year, the expectations of our members have become substantially more optimistic. In fact, over 86% of our members believe that their business will perform the same or better in 2010 as compared to 2009. What an opportunity to build on that optimism for the future in this coming budget.

However, while optimistic, our members do note an economic reality that will undoubtedly impact the provincial resources in the future. The reality is this: The majority of our members do not expect their organizations to hire this year. So with this in mind, we understand that the province's flexibility will be limited with regard to the decisions it makes, especially with the long list of requests you will have for investment from your constituents. But the fact remains, with the optimism, they still don't plan to hire because there is still some uncertainty with regard to the future. What we believe

government needs to do is to make sure that the optimism is captured and the uncertainty is removed.

On the short-term side, our members believe this: There's a need to have a continued focus by the government on tax competitiveness, business efficiency and a commitment to reduce spending wherever possible. This is important because the three are interrelated. Reduced spending and increased efficiency mean we'll be able to control the taxes—either reduce them or hold them. So we need to focus on those three: tax competitiveness, business efficiency and a commitment to reduce spending wherever possible.

Our members are gravely concerned, according to their submission, about the debt in Ontario and are looking to the government for a plan to reduce that debt. At the same time, our members are saying that Ontario must articulate where its economic focus is. We cannot be all things to all people. What are those industries that we will focus on, what we will excel in, so that people will invest in Ontario?

Elaborating briefly: In the short term, our members believe that tax competitiveness and business efficiency must continue to be a priority in the upcoming provincial budget. The 2009 budget took a number of steps forward in this regard. A continued tax regime where companies can grow and create is vital to our members' stability and growth. That's what they're saying.

Our members remain concerned about the regulatory burden that exists in Ontario. In fact, more than half believe their burden remains the same as it was four years ago and the other half believe it's worse. So it's either worse or it hasn't improved.

This is an example of a lower-cost way to improve the business climate and foster investment and growth in Ontario: In one of the major dailies this morning was a release from the conference board, and also a statement by the Canadian Federation of Independent Business, saying that regulatory burden in Canada—not just in Ontario—is costing our businesses and our growth $30 billion a year. Our members are coming back and saying, "Please take a look at the regulatory burden that exists to improve efficiency for business, because it is costing us money and the ability to grow our businesses and, hence, the ability to hire people."

The key message back to us from our members is that the majority do not yet have the information they need to navigate their businesses through the HST transition. While they're aware of the HST coming, they say, "We don't have the information to help us transition from where we are to where we need to go," and it's happening soon.

CMA Ontario understands and supports the long-term competitive benefits that the HST will provide to Ontario's business sector; so do the business people. We will continue to work with the ministry to equip our members in Ontario businesses with the specifics they require for a smooth transition. But again, the business leaders are asking the questions: "What does it mean to us? What do we have to do?"

Regarding government efficiency, we do hope that the Management Board's review of government spending will result in what we call a value-for-money audit of programs, a reduction in discretionary spending and an overall audit of efficiency. We recognize that these won't be easy decisions, but they are ones that must be made to ensure a strong foundation for the future.

Many of our companies have just gone through this audit process to improve efficiency and reduce discretionary spending. They expect the same of their government.

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Our members also voice grave concern over the deficit, as I said earlier, and they look to the government to articulate a plan to restore Ontario's fiscal health in the budget.

We know the result will not happen overnight, but our members are saying businesses must be confident a plan is in place and will be maintained to ensure debt will not cripple their ability to grow and succeed.

Looking now at the need for a longer-term plan, Ontario's economy has fared better than most and is in an excellent position to seize opportunities for future growth. We need to bring, then, industry experts, academics and government to the table to strategize and then convey Ontario's longer-term growth plan to Ontarians. The vision for the future in Ontario is a major message that must be communicated by the government to business. Where are we going, and what needs to be done for us to be successful?

North American domination of G20 growth rates is now over, and Ontario's reliance on the US for trade is concerning. Our members are looking for Ontario's plan to include trade diversification to Brazil, Russia, India, China, Mexico and even Peru, whose growth rates will significantly surpass ours, going forward.

We have a recommendation, then, for you on trade diversification. We know that the government invests considerable effort into diversifying our export base. What does not appear to exist, however, is a solid level of general awareness within the business community about how to reach new markets with their products and services. This lack of awareness has led to fear, which we believe results in exporters focusing mainly on the US as their primary market. If they do not have the information, if they are not aware of how to move past North America into the BRIC countries, then they're going to stay in their home market and not grow their businesses.

We're asking the government to bolster its efforts to inform businesses by marketing export assistance to them and helping them understand opportunities in the global marketplace.

Ontario must continue to nurture emerging technologies and industries.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Merv Hillier: The government's work in the green energy sector is a good example. Our members' focus on clean energy, life sciences and digital media

aligns well with the government's long-term economic plan. They're looking for more support.

In conclusion, there's a great deal of work that has been done and more that needs to be done. We're here to support and also to help. Our members are asking for direction and support to grow their businesses. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I will now ask Mr. Prue to begin the questions.

Mr. Michael Prue: You've made a number of recommendations here. The first one, recommendation 1: "The plan should include no tax increases and reduce government spending where possible." About 70%, or more than 70%, of government spending in Ontario goes to education, including higher education, and hospitals. What schools or hospitals would you recommend closing, or which programs in those institutions would you cut out?

Mr. Merv Hillier: We wouldn't recommend closing any schools. In fact, we would recommend that there probably be a shift in government spending on education, because when you take a look at Ontario, some of the stats that have come out recently show that we are lagging behind the US on education spending.

What we're asking, and what our members are suggesting, is that there be a value-for-money audit, another value analysis. Let's take a look at where the money is being spent in all areas, not just in health and education—a value-for-money audit; a value analysis audit is what it's called and what we do in business—and say, "Are we getting the value for the money that's being spent?" How can we increase the efficiency? And if we can improve the efficiency through a value analysis, can some of that money be redirected to either improve health or education, or to help businesses lower their tax burden?

Mr. Michael Prue: I'm still not understanding where you would reduce government spending. There's only 30% left. Is there any idea—I mean, it's easy to say, "Reduce government spending." Lots of people come and say that. But surely you must have some idea of where that would be. If it's not health and it's not education, where is it?

Mr. Merv Hillier: Our members are not specific in saying, "Please cut this particular program." They're making a general statement that says, "We would ask that a business approach with regard to a value analysis on all government programs be conducted to ensure that efficiency is obtained."

Mr. Michael Prue: Recommendation 3 is about the HST, and we've had a number of deputations, including one just this morning, that the HST is going to drive a lot of services and goods underground. The one this morning was tobacco, and we can expect more contraband. We've had other deputations talk about the underground economy, particularly in construction, where people will pay cash so that they don't have to pay the HST. How are your members reacting to the increase in an underground economy?

Mr. Merv Hillier: We haven't received any communication or information from our members that that's an issue for them. Basically, they understand that the HST is a positive move for businesses. It will help their businesses grow. But what they're asking for is more information from their government on the transition from where we are today to the new tax, the HST.

Mr. Michael Prue: Recommendation 4, and I think you're correct on this one, is to make diversification a key priority. We had an expert witness from the Bank of Nova Scotia come and suggest that our priority should not be the United States or not even so much Europe or China, which are very hard markets, but to go to South America. He recommended, along with what you said, Brazil, Argentina, Chile and Peru, and that our future should be there. Is that what you were hoping to convince your members to do?

Mr. Merv Hillier: Our members recognize—I guess, let me back up. One of the positives, if there can be a positive, from the recession, as it does to any business, is it makes you take a hard look at your business and say, "Okay, we can't be relying upon one customer. If we are relying on one customer and they go down, then our business is going to falter." So there is a big awareness now that we can't simply rely on the US.

Some of our members are already operating outside of North America into China, but what they're looking at is saying, "Look, there's more than India and there's more than China. There's Brazil, there's Argentina and there's Peru."

What we need is help because among business leaders, especially in a small business, in SMEs, there is a fear to move outside North America,. There's a comfort in dealing with the US. They're saying, "We need help, and we understand the government is involved in trade activities on their visits, that they have got offices located"—but there is a lack of awareness as to what help is available. Help us identify what opportunities are for our businesses, in what geographical areas, and then how do we transition from just simply working in North America to working into these other jurisdictions.

Mr. Michael Prue: Recommendation 5: The whole idea of reducing corporate taxes, which you seem to support, is a very blunt instrument. We reduce taxes on those profitable companies—

The Vice-Chair (Mrs. Laura Albanese): Very short answer, please.

Mr. Michael Prue: Okay. But we also reduce it on those companies—we reduce it, but there's no benefit to companies that aren't making a profit. Are you suggesting that we target it more than just simply reducing all corporate taxes? I don't want to give the banks any more money. I'm sorry.

The Vice-Chair (Mrs. Laura Albanese): The time has expired, Mr. Prue. So a short answer.

Mr. Merv Hillier: Okay, the short answer is: Let's understand what industries we want to have grow and develop in Ontario and then develop tax incentives to help those industries grow.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Mr. Merv Hillier: Thank you.

ONTARIO COALITION FOR
BETTER CHILD CARE

The Vice-Chair (Mrs. Laura Albanese): We'll move to the Ontario Coalition for Better Child Care. Good morning. You will have 10 minutes for your presentation. That will be followed by up to five minutes of questioning, and this rotation will go to the government side. Please state your name before you begin.

Ms. Andrea Calver: Thank you. My name is Andrea Calver. I'm the coordinator at the Ontario Coalition for Better Child Care. With me is Rosemary White, who is the executive director at the Bond Child and Family Development centre.

The Ontario Coalition for Better Child Care is Ontario's advocacy group for affordable, quality, not-for-profit child care. You may remember us from past years. We have brought parents. We have brought child care workers. This year, we brought economic modelling to make our case for investments in child care.

This year, the stakes are very high. Without continued funding for early learning and child care in this year's Ontario budget, our system of early learning and child care will collapse in Ontario.

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How did we get into this crisis? In 2006, Ontario took a one-time payment from the federal government, the result of the ending of the national child care program. Premier McGuinty and his government decided to take that payment, split it into four and build it into the base of the child care budget. As advocates, we said at the time and we've said every year since that the money's going to run out and that 2006 plus four years equals 2010. In fact, this year, that money does indeed run out.

I've heard many arguments. I've heard the province say that this is federal money and they will not replace federal money. I've heard the federal government say that this was one-time funding, and Ontario has no claim to further funding. The reality is, the province and the federal government can point the finger at each other. The end result is the same: Without continued child care funding, our current system will collapse.

Last year, Minister Matthews came to our meeting here at Queen's Park, and she committed $18 million in bridge funding. That bridge funding extends these cuts through until June 2010. Unfortunately, bridge funding is something you can only do once. This year, the commitment needs to be a commitment ensuring that there is a continuing $63.5 million for early learning and child care programs.

We commissioned a study to show what the impacts of the loss of that funding would be, and it is absolutely dramatic: 7,600 children from low-income families would lose their access to child care; employment losses in the early learning and child care sector alone would be 1,862; employment losses in the broader economy bring the total of employment losses to over 3,000—if a plant was closing in any town or city with over 3,000 workers, there would be an outcry; and 3,400 parents would have to leave their jobs or not enter the workforce because of a lack of child care. And, if you cut $63.5 million, the result will be a loss of $148 million to Ontario's economy.

That may not make sense. How could that be? That could be because child care is phenomenally labour-intensive. There are no imported goods involved in the provision of child care. The effect is immediate, and 100% of that money is spent here. Most of that money is also spent on wages, and those child care staff make low wages, meaning that the multiplier on the impact of cuts is high because those low-wage staff spend virtually all of their money in the community.

This has an enormous impact on the economy. For families, obviously, we see primarily low-income families shut out of child care. For child care centres, the reason the system will collapse is, if child care subsidies are even harder to come by—and there are already waiting lists for subsidies in many communities—child care centres in each and every one of your ridings will have vacancies. Vacancies mean layoffs. Vacancies mean the potential of higher fees. If there's enough of a crisis, it affects the viability of the child care centre itself. For the community, we need each and every one of these child care spaces; we still do not have enough. For full-day learning, a collapsing child care system is a disaster.

I'm going to ask Rosemary to tell us what the impact would be on her centre.

Ms. Rosemary White: Good morning. I'm Rosemary White, ED at Bond Child and Family Development. I am here to tell you about the impact on our program.

On Monday, we do our first staff layoff in 15 years. We're a strong, vibrant, unique and, until recently, financially viable program. We're a long-time United Way member agency. As such, we serve a community from Regent Park and St. James Town, newcomers, refugees, people who are just beginning to get into the workforce, and people and children with special needs. We have a strong family support component to our program.

I'm amazed that a program like ours could, in two years, lose so many subsidy spaces that we're threatened with closure in September, and I really mean that. We've been open for 72 years. We have a strong board of directors and a lot of community support. Last year, in September, when the first cuts started—I think they were releasing subsidy spaces by attrition—we were unable to get children into our program. It's usually one or two out, one or two in. Children's services has accommodated the needs of our community by allowing our families to access our program for their own benefits, to improve community health and certainly to give their children a head start.

I had 15 vacancies last year. Now, we're at a 39% vacancy rate. When children leave to go to kindergarten—because they're six and five, even four—this summer and fall, we'll have seven children left. We had a very emotional meeting with our community board, mostly law-

yers and financial people, people who are invested in Bond and who have really committed many years of service to it. Our meeting was emotional because we could not see any way out of this.

So with nothing to lose, I sent a letter to a number of people. I'm here today to ask you to do whatever you can to save those subsidy spaces and save programs like ours, because I'm just the tip of the iceberg. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. Questions from Mr. Arthurs?

Mr. Wayne Arthurs: Thanks for being here this morning. I appreciate the presentation.

Ms. Rosemary White: Thank you.

Mr. Wayne Arthurs: Just a couple of questions to start with. Tell me a little bit more about the staff losses—it's referenced on page 3—in the absence of the existing funding and the parents who would leave their jobs without access to child care. I'm trying to relate those two. Probably it's not a direct relationship in numbers, but it looks like, when we look at that quickly and simply, we're talking about a ratio of 2 to 1—two parents, one staff person. Are those the numbers, or am I just misreading part of this, somehow? I'm looking at the job losses at 1,862 and 3,480 parents who leave their jobs without access to child care. Is there a direct relationship between that and those numbers, or is that just a—

Ms. Andrea Calver: In the statistical analysis there's a detailed page which explains how those numbers came to be. That is very much dealt with at the end, you can see, using an average child-to-staff ratio. I think that adequately explains your question.

The issue is, there are multiple funding pressures on child care. Certainly, our ongoing financial instability—I will say that full-day learning did not cause this problem. It doesn't solve this problem, but it may in fact make it somewhat worse this year, as there's so much financial instability and so many financial unknowns for child care centres that are trying to make a commitment to families to operate through the next year.

Rosemary's centre could be in any one of your ridings. We are hearing from child care programs across the province that there is so much financial instability. They're very hesitant to make a commitment to keep all of their programs open.

Mr. Wayne Arthurs: Financial resources, obviously, are the critical element. We're obviously committed to full-day learning programs. What can we do from a policy perspective or relationship to provide strength to the child care centre system and, at the same time, support the full-day learning strategy?

Ms. Andrea Calver: That's an excellent question. The first thing you can do is not make any cuts. So let's continue on with the current budget. That means you have to find the $63.5 million that's at question, but don't make any cuts. In our budget submission, we've also called on the province to—the Pascal report envisions that money saved will be kept in child care. The money saved from four- and five-year-olds who will be moving into the publicly funded system is $119 million. If that money, which is already accounted for in terms of full-day learning, were advanced to the child care sector, we could much more effectively deal with the transition that we need to make in our programs to serving younger years and expanding the groups that we deal with. So, in fact, there is funding that will be available as children move into the publicly funded system, but at full implementation, it's $119 million. It would mean a great deal, in terms of transition, to be able to access some of that funding today.

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Mr. Wayne Arthurs: So you would make the case that the funding request that you're making can, in part, be accommodated, at least in the early going, through some money that is moving into the public system and ultimately having the full capacity to fund the current shortfall.

Ms. Andrea Calver: The problem is, for every child who moves into the publicly funded system, there is a savings, but as you know it's only 15% next year and up to 20% the year after. I fear that in three years, when municipalities really start to see the savings, a lot of the child care programs won't have survived that long. We need to support the child care programs today to keep them viable, help them transition and help them be a part of the system that Dr. Pascal envisioned, and which we very much support.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this morning.

SENECA COLLEGE OF APPLIED ARTS AND TECHNOLOGY

The Vice-Chair (Mrs. Laura Albanese): Next we call upon Seneca College of Applied Arts and Technology. Good morning.

Mr. David Agnew: Good morning.

The Vice-Chair (Mrs. Laura Albanese): You will have 10 minutes for your presentation. There will be five minutes of questions after that. This rotation will go to the official opposition. Please state your name before you begin, and you may begin at any time.

Mr. David Agnew: Certainly. Thank you very much. I'd be happy, if I could discipline myself, to give some of my 10 minutes to questions. So if you keep a clock, I'd be happy to do that.

My name is David Agnew. I'm the president of Seneca College. I have with me Dr. Peter Constantinou, who is our director of government affairs. I'm delighted to have the invitation, and thank you very much for the opportunity to speak to you.

We've distributed the submission. You'll see that it's, I hope, from your perspective, delightfully brief. This afternoon you will be visited by our provincial association, Colleges Ontario, and they will be giving you a copy of and speaking to a broad advocacy document that was prepared for this pre-budget season called A New Vision for Higher Education in Ontario. I'm not going to

try to cover the same ground. Instead, I'm going to give you a perspective which I hope is helpful from an individual college—albeit the largest one in Ontario and Canada.

I would say that you all know Seneca, but in fact as someone who's new to the system, I might suggest that perhaps not everyone does know what goes on in colleges today, and they make assumptions about it. I came to the job just a little over half a year ago and I'm not of the post-secondary education sector. They're extraordinarily sophisticated and comprehensive institutions today that have changed a lot since Premier Davis's original vision in 1965. It really speaks, I think, fundamentally to some pretty important issues around the future of the province, of how the province, as a funder of about a little over 40% of our budget directly and of course controls more of it through policies around tuition and so on—I think it speaks to a very important policy piece that you'll be considering in your deliberations.

We're part of a post-secondary system—which on some days doesn't operate like much of a system—that's increasingly fluid and increasingly grey around the boundaries. Our offerings have grown from a series of diplomas and one-year certificates to a very robust offering of baccalaureate degrees, of graduate certificates for people coming back, primarily from universities after getting their BA or their BSc, to come and get a year's worth of very practical, focused professional education because they're looking for a specific career path. These are rich places where we're finding that the pathways the students are creating are going back and forth between institutions: between colleges, college-university-college or college-university. It's a rich mix.

It's almost trite to talk about the importance of post-secondary education, but I do fear to some extent that we take it for granted that it'll be there. Certainly, with the stresses that we've felt in recent years of growth, my main point to you is that we can't afford to take it for granted and we can't assume that "business as usual" is going to be good enough. I fully support the government's position—and I'm sure there is multi-partisan accord on this—that we need to reach ever higher for an attainment rate of post-secondary education. The government has talked about a 70% rate in the knowledge-based economy; we're not there and we need to get there.

What we're finding—and it's not just due to the Second Career program, which has brought more than 20,000 people on to college campuses and other campuses for re-education—is that there's a much more diverse population coming into our campuses when it comes to the demographics: not simply reflecting the diversity of Ontario from an ethnic or cultural point of view but from an age point of view. More than half of our students are not coming to us directly from high school but in fact are coming later. Whether it's after going to university, after having a few years in the workforce or after having, now, many years in the workforce, they're coming back for retooling. So the investment is important.

I said that we're challenged by our growth. Usually growth is a good story, and of course, it's a great story. We're delighted and we're proud that we've had this kind of growth. But all the projections say that it's going to continue, and I guess that's a very important message when it comes to both the operating and the capital sides. You can't do good education on the cheap. You can't just add portables. You can't just do it overnight: the kinds of faculty that we need, the skills that we need in the classroom and often, with our programs, the kinds of capital investments in equipment. We have a flight program; these are planes that we buy. We have a nursing program, and these are very sophisticated labs that we build. We have early childhood education programs and a childhood development degree, so we have daycare centres that we use as laboratories. These are not things that you create out of whole cloth overnight. The investments are very important, and we certainly don't want to be in the position of having to turn students away when demand has never been higher.

There is a particular issue that many of you will know about in the GTA. The demographics and immigration patterns tell us that we're going to have a huge bulge in post-secondary education enrolment over the next five, 10 or 15 years. I think that it's recognized at a factual level that we'll need to create literally tens of thousands of spaces.

We are the only post-secondary institution in York region. We're delighted with that positioning, but our two major campuses in York region—one in Markham and one in King—are fast running out of room. At the one in King, we've already got portables on the campus. We certainly don't want any more. That's not quality education.

It's a problem that's only going to grow larger as more and more people, I think gratefully, from an economic point of view—and frankly, from a social point of view—seek that post-secondary education credential. We need to build that sustainable system. As you all know, Reaching Higher is coming to its conclusion with this budget year. The government is actively involved in recasting a post-secondary policy going forward. It's one where we need to not simply maintain the gains and investments made over the last few years but in fact go higher.

I want to leave you with those thoughts, and I'll leave to my Colleges Ontario colleagues a more precise listing of our requests, for the budget and beyond, in post-secondary education policy. I'd just like to underscore for you the urgency of continued and sustained investment—and I'll allow Dr. Blouw to speak for the university sector shortly—but certainly in the college sector. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation, and I will turn it over to Ms. MacLeod.

Ms. Lisa MacLeod: Thanks for coming today. I appreciate it. I noticed in your handout that on your second page you were talking about "focused on student suc-

cess," and I want to talk a little bit about the students. I noticed that you have 70,000 part-time registrants. Those would mostly be from the GTA, sort of York and Toronto, would they not?

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Mr. David Agnew: Yes, that's basically, for the most part, our evening and weekend continuing education programs.

Ms. Lisa MacLeod: So a lot of them will be mature students that have—

Mr. David Agnew: Many mature students. Our continuing education program, if I can put it this way, isn't much of the sort of fun and leisure stuff. It's pretty serious, career-oriented education. A lot of it has to do with upgrading credentials, getting credentials. Over 40% of our continuing education registrants have a university degree, many not from Canada or the United States, so they're looking for Canadian credentials.

Ms. Lisa MacLeod: So a lot of them are working or they're parents who are moving along the system?

Mr. David Agnew: Oh, absolutely.

Ms. Lisa MacLeod: You have about 20,000 full-time students. I'm wondering, where do they stay, mostly? Do you have on-campus residences? Are a lot of them people with their own homes or rental units?

Mr. David Agnew: One of the features of Seneca is we're also the largest college in Ontario when it comes to international students, so clearly that's a population that needs housing when they come to Seneca.

We have a residence on our Newnham campus which is a little over 1,000 beds, and we have a smaller residence up at King, about 322 beds. Particularly in the neighbourhoods in Toronto, there are people who rent houses and rent rooms and so on.

We have about 70% of our students from Toronto, the city of Toronto and York region. I think that's right, Peter? We draw from across the GTA as well. So it's a mixed bag. But yes, we have lots of people who need a place to stay.

Ms. Lisa MacLeod: A lot of commuters, though, a lot of—

Mr. David Agnew: Oh, tonnes of commuters.

Ms. Lisa MacLeod: —driving their own cars to campus?

Mr. David Agnew: Unfortunately for us, given our locations—I can't tell you how important public transit and the expansion of public transit is to us. Our four principal campuses: We have Finch and Highway 404—not bad, buses along Finch. We have a building and a half on the York University campus; we can't wait for the subway. We have a campus at Highway 7 and Highway 404. Highway 7 is a designated rapid transit throughway so that will be important, but of course it's not there yet. King is a bit of a challenge. It's a beautiful, beautiful campus, 700 acres up on Dufferin. It does have bus service but it's challenging, when you talk to our students who are coming in from places like Brampton.

Ms. Lisa MacLeod: Right. The other question I have—and I'll end with this, actually. On July 1, the HST is going to be implemented. It might not impact colleges and universities in the MUSH sector as much as 8%. However, it will impact your students, particularly those who are commuting or who live out of province and have to come here or live in different parts of the province, whether it's their bus fares, their air travel, taxi fares or gas in their car. In addition to that, there's also speculation that rent will increase, not because the 8% is going to be tacked on to it but because there are going to be maintenance fees, contracting fees, renovation fees, snow removal—and that could increase rent in some cases from 5% to 8%. Finally, Internet access fees are going to go up.

When you're looking at that, it almost makes it—

Mr. David Agnew: What was the last one?

Ms. Lisa MacLeod: Internet access fees. So when that happens, it's going to be pretty difficult for some families who have a budget right now to say, "I want to take a continuing ed course and it costs me $500 or $1,000." They're going to have less disposable income on that. Have you given any thought, as a university, to how that's going to impact your students, particularly those who are in continuing ed?

Mr. David Agnew: It's obviously something that's difficult for us to control, particularly given the stresses on our budget. Continuing education has two kinds of funding. One is all-student-paid. Some of our courses, because they are ministry-approved and so on, actually have a portion of government grant as well. So it's not easy for us. Most of our students would dearly love to bend your ear about the cost of parking and so on already.

Ms. Lisa MacLeod: It's not any different at Algonquin, I can assure you.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. David Agnew: We recognize the problem. I was talking to one of our chairs the other day in our business school and she was saying that 70% of her students—she was speaking of full-time students—have a part-time job. And it's not the 10-hours-a-week type of part-time job; it's the 24-hours type of part-time job. And our financial aid applications are way up, OSAP applications and so on. We realize it's a difficult time.

One of the things that we do—

The Vice-Chair (Mrs. Laura Albanese): Thank you, but the time has expired and I'm on a tight schedule.

Mr. David Agnew: All right.

Ms. Lisa MacLeod: Thank you very much. I really enjoyed your presentation and thanks for answering my questions.

Mr. David Agnew: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee.

SOCIAL PLANNING TORONTO

The Vice-Chair (Mrs. Laura Albanese): I will now call on Social Planning Toronto to come forward. You

will have 10 minutes for your presentation, and that will be followed by five minutes of questions.

Mr. John Campey: Good morning, and thank you for the opportunity to appear before the committee. My name is John Campey. I'm executive director of Social Planning Toronto, which is a non-profit community organization with 150 agency members in the city of Toronto. We engage in research, policy analysis, community development and civic engagement, and our mission is improving the quality of life of all residents of Toronto. We focus our work on poverty reduction with an emphasis on income security, good jobs, affordable housing and strong public education.

We conduct research on a broad range of community and public policy issues and social and demographic trends in Toronto. Our recent work has focused on the impact of the recession on non-profit community social services in Ontario, immigrant and settlement services in Toronto, after-school programs for middle-years children in Toronto, the health of social assistance recipients and the working poor in Ontario, and the employment insurance system. Our community development work focuses on building capacity in low-income and marginalized communities in Toronto's inner suburbs.

We have a number of recommendations we'd like to make in terms of the upcoming provincial budget.

In this submission, we're focusing on initiatives that will promote economic recovery and advance the provincial government's commitment on poverty reduction. Despite recent "green shoot" sightings of economic recovery, 217,000 more Ontarians are unemployed today compared to the pre-recession period in the summer of 2008. Still more are underemployed. Others have become discouraged and are no longer looking for work and are not counted among the unemployed. The current number of single individuals and families receiving social assistance in Ontario is almost 40,000 more that it was prior to the economic downturn. This situation is amplified in Toronto, where unemployment entered the double digits.

Ontario's non-profit social services system has been hit hard by the recession, facing a one-two punch of increased demand for services and a loss of funding to provide those services. Social Planning Toronto joined with our sister organizations across Ontario to produce a research report called Hard Hit: Impact of the Economic Downturn on Non-Profit Community Social Services in Ontario.

Research results based on over 400 non-profit community social service providers in Ontario demonstrate the struggles communities are experiencing and the lack of capacity in the sector to respond to this increased need. Almost three quarters of agencies reported increases in service demands and half reported being unable to respond to the increased need for services.

Agencies reporting dramatic increases were food bank and meal program use, employment services, bankruptcy and credit counselling services, health services, mental health counselling, and suicide and crisis intervention programs. Service providers are dealing with increased numbers of people looking for help, more crisis situations and people with more complex situations requiring support.

At the same time, funding cuts have been prevalent and more are anticipated throughout 2010. Half of all agencies experienced a funding cut from at least one revenue source and two thirds anticipate cuts in 2010. Funding cuts were most common from private donors, United Ways and foundation funding, making government investment all the more critical.

As the provincial government contemplates a difficult budget year, we stress that government cuts will exacerbate an already bad situation, throwing more people out of work and into poverty, increasing the demand for scarce community services while reducing funding to provide these much-needed services.

It is time for bold government action. First, we recommend that the provincial government take steps to increase its revenue base. The federal GST cuts have left tax room that should be taken up by the provincial government. Using our progressive tax system, the Ontario government can increase its revenue base through small increases to the province's highest-income earners, those who benefited most during boom times.

There is a broad consensus about the need for investments in physical and social infrastructure. Through the first stimulus program, governments made important investments in physical infrastructure. A second round of stimulus is needed now to expand investment to social infrastructure and programs. The way a recession rolls out is that there's the initial cut, but in the long term, it takes quite a lot of time for jobs and supports to recover. So there is a real need for a second stimulus package to provide support for those who will be in that second wave of cuts.

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In Hard Hit, the Social Planning Network of Ontario put forward three recommendations directed at all levels of government to address the hardship that many Ontarians are facing and to improve the capacity of the non-profit community social services sector to respond to the needs of struggling communities. Our recommendations include the province initiating discussions with key community service agency stakeholders to identify the reforms and investments that will shore up the capacity of the sector to sustain and strengthen communities.

We would encourage you to introduce dedicated social infrastructure funds, similar to the built infrastructure fund, to deliver community program dollars over the next few years that will both help build that social infrastructure and deal with the fallout of the recession on individuals and communities. Focusing this money on areas like child care, affordable and supportive housing and food security initiatives would support economic recovery, promote greater equity and foster community prosperity.

We also need the government to improve benefits and increase access to social assistance programs to reduce

the financial crisis faced by unemployed workers during these tough times. These actions in turn will support the non-profit community sector by reducing the demand on an already stressed system.

The Ontario government's announcement of social assistance reform is long-awaited and much-needed. This review must address the central issue of benefits levels and their adequacy to cover basic needs, including safe and appropriate housing and a good, nutritious diet. The complete inadequacy of current rates to cover even the barest of essentials remains a chief concern, a problem that ensures ongoing crises for individuals and their families and the organizations that serve them.

As a first step in the process of setting rates at levels that reflect the actual cost of living, we recommend that the provincial government adopt the 25 in 5 Network for Poverty Reduction's and the Association of Local Public Health Agencies' Put Food in the Budget initiative by introducing a $100 monthly food supplement for all adults receiving social assistance.

In the area of housing, the provincial government has taken important steps in advancing the goal of safe, stable and affordable housing for all Ontarians through its investment of stimulus funding in housing initiatives and its commitment to develop a long-term affordable housing strategy. Unfortunately, there's a long way to go before that is a reality. We've identified a number of the initiatives that the Wellesley Institute and the Housing Network of Ontario have already brought to your attention, and we fully support those as key investments in affordable housing.

In terms of workers' protection, under the poverty reduction strategy, the government committed to invest an additional $10 million annually to hire new employment standards officers, enforce the Employment Standards Act and reduce the backlog of claims. Half of this was budgeted in the 2009 budget. We would strongly encourage you to commit the remaining funds there and make sure that the new hires are focused on dealing with complaints and being proactive in terms of workplace enforcement. In a recession, it's all too easy for workers who are vulnerable to not feel comfortable claiming the rights that they have under existing legislation, so the proactive enforcement and the staff to do that are really critical.

In terms of investments in children, we applaud the government moving forward on the recommendations in the Pascal report. We would encourage you, while moving forward on that, to not miss the fact that children ages six to 12 are all too often not addressed in programs that exist. In Toronto, recent research we did showed that only one in 10 children between six and 12 has access to a five-day-a-week, regular, supervised after-school program. There's an enormous gap, and we would encourage you in your planning not to ignore that gap.

As well, the previous speaker in terms of the child care coalition identified some of the serious challenges facing the child care system across the province in terms of loss of federal subsidy. We also encourage you to maintain at the very least the existing subsidy. Do not throw the child care system into crisis and jeopardy.

We're also concerned with the public education system, that funding continues to be inadequate to address the needs of marginalized students. We encourage you to continue to improve funding to community use of schools, to return our schools to their rightful place as hubs for community. This government has made significant progress in that area. We'd encourage you to stay the course. Having school access for communities is critical to healthy communities and community engagement, so we think that should continue to be a priority investment.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Mr. John Campey: Thank you.

The Vice-Chair (Mrs. Laura Albanese): I would now turn to Mr. Prue for questions.

Mr. Michael Prue: Thank you very much. You've made a number of key recommendations, and I must say you are the very first group that has come forward and said, "Please increase taxes." Everybody else wants us to cut taxes but provide more service. I think you understand that that may be impossible.

Mr. John Campey: Just to comment on that, if I may: We did want to make that recommendation, because while there is a significant body of public support for increasing revenues—the Federation of Canadian Municipalities recently released a report showing 70% of Canadians would support a 1% dedicated infrastructure fund—and there is in fact substantial public support for increasing taxes, there are actually very few organizations that will say that the government needs to be able to generate the revenue required to meet the services that we expect our government to require. So we felt it important to actually name that as an issue.

Mr. Michael Prue: All right. Now, you are suggesting that the money primarily come from the province's highest-income earners, those who benefited the most during boom times. Are you thinking in terms of a surtax on those who earn, say, above $200,000? Have you set any limits? Can you flesh this out at all?

Mr. John Campey: We haven't gotten into specifics. I think there's a combination of revenue tools that the government has available to it, whether it's a surtax, whether it's looking at the rate at the top end. I think we were a bit disappointed, when the HST was introduced, that so many efforts were made to actually make it revenue-neutral; that there was an opportunity there to generate some additional revenue at the top end of the scale and that there were so many credits and things built into the tax system that it didn't serve to reduce some of the inequality or take advantage of the new tax regime to generate some additional revenue.

Mr. Michael Prue: The Daily Bread Food Bank invited politicians a couple of times to go on a welfare diet. The last time I went on it, it was $12 for 10 days, and it was very hard to feed myself for $1.20 a day. You are suggesting a $100 increase per month. I would assume that would allow people to feed themselves on more like $30 or $35 a week. Is even that sufficient?

Mr. John Campey: No, that's not sufficient at all, but we do recognize that there are a variety of fiscal pressures on the government and $100 a month seemed like a reasonable amount. It's also very close to the amount that this year will be coming in the HST credit. So there is a precedent for coming up with additional funding, and that might be one mechanism for continuing that on an ongoing basis.

Mr. Michael Prue: You talk about the child care subsidies and the potential loss of child care. It's not Toronto, but Windsor, two days ago, closed down seven of its child care centres due, in part, to some of the spaces being made available in the schools and, in another part, the potential loss of the monies they got from the $63 million in federal funds. What kind of impact will that have on people in Toronto?

Mr. John Campey: I think it sets a frightening precedent. We know that the city of Toronto is facing enormous fiscal pressures in its budget and that all departments have been told to come up with a 5% cut. There's no indication that child care would be exempt from that. So we're very concerned that this will flow through to significant cuts to access to child care in Toronto in a situation that's already critical. There are enormous waiting lists.

Mr. Michael Prue: The city of Toronto has come up with a chart showing how many losses of child care spaces are anticipated in each of I think it's 45 wards. This will impact most especially in the downtown community, as I understand it.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Michael Prue: Is that correct?

Mr. John Campey: I'm not familiar with that particular chart, so I can't comment on that. I just know that there is a real concern that we will see a real evisceration of the child care system in Toronto, and across the province. The Windsor precedent is quite frightening.

Mr. Michael Prue: Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before our committee this morning.

Mr. John Campey: Thank you very much.

WILFRID LAURIER UNIVERSITY

The Vice-Chair (Mrs. Laura Albanese): I now call on Wilfrid Laurier University to come forward. Good morning. You will have 10 minutes for your presentation, and that will be followed by five minutes of questioning from the government side.

Dr. Max Blouw: Good morning, Madam Chair and members of the committee. My name is Max Blouw. I'm the president of Wilfrid Laurier University. With me today is Brian Rosborough, Laurier's director of government relations. Thank you for inviting us.

Copies of Laurier's submission have been provided by the clerk. I will speak briefly to the document and look forward to your questions afterward.

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Our submission is intended to initiate a renewed partnership between Wilfrid Laurier University and the government of Ontario. It will introduce you to Laurier and outline ways in which the university will help government to address some of the province's most significant post-secondary challenges.

Founded in 1911, Laurier is a comprehensive university focusing on excellence in teaching and research, with a population of approximately 15,000 full-time students on campuses currently in Waterloo, Brantford, Kitchener and Toronto, and potentially a new campus in the town of Milton.

Laurier is finalizing an academic plan that will mark a new path to build on its strengths and to articulate its distinctive role in teaching and research among universities regionally, provincially and nationally. This plan will guide priorities for investment and resources in the years ahead. It will also highlight the important partnerships that we have developed with various communities and other post-secondary institutions, partnerships that are designed to meet the educational needs of an ever-changing student population in an ever-changing world.

Laurier shares a number of challenges with government. As my colleague David Agnew stated moments ago, revenues have not kept pace with increased demand for quality services and programming. Faltering investment markets have undermined our ability to meet financial and regulatory pension obligations. Debate over academic differentiation has the potential to significantly influence the direction of post-secondary education in Ontario and the role of individual institutions in the Ontario system.

On the flip side, Laurier and the provincial government also share a number of priorities. As Ontario seizes the opportunity to assume a position of leadership in the rapidly evolving knowledge-based economy, Laurier is well positioned to work in partnership with government to address some of the key opportunities facing the province today and in the future. Those issues include delivering a superb teaching, research and student experience that fosters leadership in the economic, social and cultural life of Ontario; improving access to outstanding education for traditionally under-represented students, including aboriginal students, first-generation students and students with disabilities; and building capacity to meet the net new demand for increased student enrolment of 40,000 to 60,000 students in the GTA by the middle of this decade.

Laurier is delivering results in terms of superb teaching and research, and improved access and partnerships. I would invite you to review these results in our detailed submission.

Laurier's performance in teaching and research is reflected in the very high demand for enrolment at Laurier for both undergraduate and graduate students, including dramatic increases in enrolment at Laurier's Brantford campus and a demand for master's and doctoral degree opportunities that exceeds the graduate funding alloca-

tion available to Laurier from the government of Ontario. In fact, over the past two decades, Laurier has grown faster than any of the traditional universities of the province.

The achievement of Laurier's graduates in every aspect of leadership in this province, including business and entrepreneurship, culture and the arts, health and human services, and the public sector, also reflects their outstanding experience at the university. Innovative Laurier programming contributes to the students' educational experience and creates partnerships with industry and the community.

Laurier has been working to improve access to students who have traditionally been under-represented. We do this through supportive programming that assists aboriginal students, students with disabilities and students from diverse communities, and through policies and programs for any other student who may be facing barriers to learning that can be overcome with the right supports.

Laurier's success has been guided by important partnerships that enhance teaching, research, student experience and student opportunities in concrete ways. Laurier has engaged in partnerships in every community in which it operates, as well as national and international partnerships. In each of our communities, we have created partnerships with other post-secondary institutions to enhance learning pathways, broaden educational opportunities and use resources more effectively. We have partnered with business and community agencies to advance experiential learning and co-op programming, and we have partnered with the community to secure support through advancement, philanthropy, commercialization and economic development. Some of these partnerships are described in more detail in our written submission.

I now want to turn to challenges that are faced by all universities and then to two unique opportunities that partnership with Laurier can provide. All universities in Ontario are confronting the problem of uncertainty over per-student funding that is not currently guaranteed and that is not adjusted to reflect the escalating costs of providing quality teaching and research opportunities. Full per-student funding and recognition of escalating costs are essential if we want to invest in the quality education that will underwrite Ontario's future prosperity.

Ontario universities are also calling for strategic, multi-year accountability agreements aligned with both provincial and institutional objectives. It is very important that the province work with Ontario's universities to address the impact of regulated pension solvency requirements and going-concern shortfalls in a way that does not divert operating resources away from teaching and research.

Laurier in particular presents two key opportunities. Both are set out in greater detail in our submission. Our Brantford campus has grown quickly, bringing desperately needed revitalization to a downtown core that was a study in post-manufacturing economic decline. It is now a study in urban renewal, centred around Laurier's 19 buildings and 2,500 students at the Brantford campus.

The academic focus of the Brantford campus has increasingly been what might be termed "applied social science": journalism, criminology, legal studies, contemporary studies, education and so on. This academic profile is responsive to the needs of the community and the region. It is complementary to academic offerings at Laurier Waterloo, and it shows great growth potential. Much of the programming is delivered in partnership with Nipissing University and Mohawk College.

A Laurier Brantford campus of 8,000 or more students can be achieved, providing increased access to a quality educational experience and multiplying the economic revitalization opportunities and outcomes to that community. The capacity for further growth at Laurier Brantford to meet the provincial enrolment pressure of the next decade is limited only by resources. A carefully planned steady expansion of programming and, eventually, facilities should be a key element of the province's education, labour force and capital planning.

The proposed greenfield campus in Milton provides another key opportunity to make the west end of the GTA into a centre of learning as part of a 450-acre proposed education village of university-related amenities. Milton has agreed to provide Laurier with 150 acres of land for a site which perfectly complements provincial land-use, growth and transportation policy. With the potential of a 15,000-or-more-student campus at maturity, Canada's fastest-growing municipality, with its young and highly educated population, can play a key role in meeting the increased enrolment demands of Ontario's knowledge-based economy. The academic program at Milton will be comprehensive and responsive to student and community needs. Given the location, environmental sustainability, green technologies and the material sciences underpinnings of those disciplines will be focused on. We will develop that campus in partnership with other institutions and with Sheridan College in particular. However, until the government of Ontario signals its support for the project or support for the necessary next steps in planning and approvals, it will remain at an exploratory stage.

Laurier offers a comprehensive education, research and student experience that will be the foundation of Ontario's future economic, social and cultural prosperity. These are opportunities that Ontario cannot afford to overlook.

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The final challenge I'd like to mention is the challenge of differentiation. Differentiation among universities is a natural outcome of specialization, of growth and of competition. The value and importance of a university education in Ontario in the decades to come will not be measured by the size of an institution; instead it will be measured by the extent to which the university enriches the cultural, social and economic life of the province and the extent to which it fosters innovation and prosperity. It

will be measured by the ways in which the university inspires lives of leadership and purpose, which is the essence of the Laurier mission.

Laurier intends to continue and expand its outstanding contributions to the provincial priorities of access, quality and excellence in both teaching and research, and we look forward to a renewed partnership with government as we move forward together. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you. I'll turn this over to Mr. Sousa.

Mr. Charles Sousa: Thank you, gentlemen, for attending and for your presentation. I did my undergrad at WLU—when it was Laurier, not Waterloo Lutheran—a great campus. In fact, even my kids are considering the school. You've done a good job, and I certainly appreciate the work at Laurier and its reputation. Congratulations.

There's a couple of things I just wanted to touch upon. One is the partnership. The Ontario government has been a strong advocate for post-secondary education. It's a priority. We've struggled with the funding, and certainly that's why we're here at finance: to try to find a balance by which to continue to support the needs of universities because, frankly, they're the future, and we need that skilled and educated workforce.

We're going to hear in a moment from Nortel, and they're going to talk about some of their concerns around pensions and around the preferred status for bankruptcy. They're also going to talk about the pension benefit guarantee and the cost of windup. Now, they're in a situation different than the school's, but the solvency issue is also of concern, and Arthurs's report talked about some of the pension reform things that we are proceeding with. Can you comment a little bit on this issue that is affecting you?

Dr. Max Blouw: Absolutely. The pension situation, for most of the universities in Ontario, is a very large concern. I think the net liability on the books right now is about $2.7 billion across all of the institutions.

In the case of Laurier, we are in a situation where we have a going-concern problem, not a solvency problem. Or at least, the solvency problem is less than the going concern for us. We look at the situation, and it is highly improbable that any university in the province will become insolvent. I think we're a foundational element of the societal underpinnings for economic, social and cultural prosperity, and we will continue into the future. The solvency end of things I think is less important—or let me put it this way—a lower threat, perhaps, than a going-concern liability.

The cost of the going-concern liability will remove many millions of dollars—in the case of my institution, roughly $9 million a year—from the classrooms. The impact of that is profound. Going forward, it means larger class sizes and fewer offerings for students. We will have to do less, simply to serve those pension requirements. We hope that government will look at opportunities to perhaps hold in trust some of our physical assets, in light of the liabilities that we may have, as a guarantee against it and give us a longer period of time. We have a working group between the Council of Ontario Universities and the provincial government at the present time working on this very actively, looking for ways to solve this problem.

I think we are different from the private sector. We have assets. We have a societal role that I think is indispensable. For both of those reasons, I think an arrangement should be possible.

The Vice-Chair (Mrs. Laura Albanese): Forty-five seconds.

Mr. Charles Sousa: I was going to talk about the partnership with government, but you spoke quite a bit. I appreciate your discussion. If you have any more to say, by all means.

Dr. Max Blouw: Simply that we really do look forward to our new partnership with government. I think we share a lot of priorities. I think that universities are well-positioned to assist government in achieving what I think are critical social, economic and cultural objectives in the province and we look forward to working with you to achieve those.

Mr. Charles Sousa: Thank you for coming today.

Dr. Max Blouw: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation this morning.

NATIONAL CITIZENS COALITION

The Vice-Chair (Mrs. Laura Albanese): I now call on the National Citizens Coalition. Good morning. You will have 10 minutes for your presentation and that will be followed by five minutes of questioning. If you could begin by stating your name for the purposes of our recording Hansard, we would appreciate that. Thank you.

Mr. Peter Coleman: Good morning. This committee will hear numerous presentations asking for "more money, please." These consultations, by their very nature, will attract those who seek more money from government for new initiatives or expanded programs. It must be recognized, however, that this is not the complete picture.

I am Peter Coleman, president of the National Citizens Coalition. We're a citizens group dedicated to the principle of greater freedom through less government. Our coalition is 30,000 members strong, with half of this membership in Ontario alone. Indeed, I am here to represent these thousands of Ontarians who desire less spending from their government.

We're coming out of a harmful recession. The obstacles facing our government as we try to move forward are quite ominous. Ontario's spending and debt are both climbing at an unsustainable pace, and it's necessary to take steps to curtail and rectify this today. If we fail to demonstrate financial prudence by taking measures in this budget, we will only make this problem worse. As our population ages and we begin this unprecedented demographic shift, our government will lack the ability to

provide a sustainable standard of living with such debt considerations.

Today I'm advocating that this committee pursue a path to smaller government. By ignoring many of the real political issues facing our province and choosing to work towards initiatives such as all-day kindergarten and bicycle helmet legislation, this government has become too big while accomplishing too little. It's time to remedy this situation and reprioritize our legislative agenda. Entrepreneurs and small businesses are and will continue to be the engine of job growth in this province. Our provincial government must recognize this in moving forwards with this year's budget.

So what are our thoughts as you prepare to craft this year's budget? First of all, good luck: It'll be a real challenge in today's economic environment.

We're calling this campaign that we want to propose today our 5-0-1 campaign. It's a framework to work towards fiscal prudence and bring the runaway growth in Ontario's spending under control.

The "5" stands for an immediate 5% pay cut for all provincial members of Parliament. We're advocating the same at the federal level as well. As MPPs, you have been very fortunate to have some semblance of job security while the rest of the population faces uncertainty in almost every sector. This action may be seen by many to be symbolic in nature, yet it's a real way to begin lowering the cost of government. We need to reduce the disconnect that Ontarians feel with the current provincial government and by leading from the top, this would be an effective start. It's irresponsible for the government to demand that public employees make sacrifices such as forced unpaid days off if our MPPs have not led first. Now is the time for leadership in this area. Freezing your salaries is not enough when this government brought forward a 25% pay increase for MPPs in 2006. The result of that is that when government votes to raise its own salaries, public servants demand increases as well.

The "0" stands for zero-based budgeting. This is a practice that rejects the yearly unquestioned growth of departmental and agency budgets. Rather than simply building on the previous year's spending by a set percentage, budgets should be built from zero for all departments and wasteful spending prevented from moving forward. This will allow a constant reappraisal of priorities and will serve to significantly reduce the gap that has grown between Ontarians and their government over recent years. It is now incumbent upon this government to ensure that departmental and agency budgets are decided with care and that value for taxpayers is attained.

When any government contracts expire and are to be renewed or new contracts are established, they must reflect proper market conditions. The compensation of some of our public servants is out of control. For example, the president of Ontario Power Generation was paid in excess of $2 million last year. Ontario's taxpayers rightly feel taken advantage of when they see these large salaries when people are suffering.

A zero-based budgeting process has been employed by jurisdictions around the world for its efficiency. New Zealand has implemented a zero-based budgeting framework with great success. Through annual budget processes, they are now saving money and eliminating wasteful or redundant programs.

The "1" represents a commitment on the part of the government to limit program spending growth to 1% per year. This is a necessary step to prevent the development of a structural deficit, especially with an eye to the mid- to long-term future. Indeed, Pascal Gauthier, a senior economist with TD Bank, agrees that total spending growth in Ontario must be limited to 1% per year if the provincial government is to balance its budget by 2016-17. Since 2003, government spending has increased by 6.7% per year. That number is unsustainable.

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Health care is also an area where greater value must be attained. Ontario's spending on health care has increased by 30% since 2004 and now consumes more than $49 billion of the annual budget, a percentage that's not sustainable.

The 1% represents a new direction for public service hiring practices. We recommend that for every two public servants who retire, there should only be one new hire. That will help reduce the size of the public service. This is a responsible measure to reduce the size of government in a harm-free way while also avoiding conflict with public unions. It's not fair for Ontario's government to legislate unpaid days off for public servants to battle down the debt when it was this government that increased public sector hiring by 15% since 2004. There are more than 100,000 more people employed by the government since that date.

Despite the fact that Ontarians are now taxed at the highest rate in provincial history, today we provide a framework that will allow our government to move forward with sound economic policy. Other options to balance our books will be much more harmful or disruptive.

The alternatives raised by the government thus far will also certainly provoke union conflict and increased antagonism. The idea of raising taxes to reduce the deficit is also a very poor alternative. Citizens are already outraged by the unlooked-for imposition of the HST. There is only one taxpayer. His wallet is empty these days and his charge card is maxed out.

Working within this 5-0-1 program will provide a smaller, leaner government, better value for taxpayers and increased flexibility to respond to the changing priorities of demographic transition over the years. Ontarians of all ages across the province are pleading for these goals. Please act responsibly when you prepare this year's budget.

Thank you for your time. I wish you all good luck in crafting what will be a very difficult budget. Strong fiscal leadership is required now more than ever.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I will turn it over to Mr. Shurman.

Mr. Peter Shurman: Thank you for an interesting presentation, Mr. Coleman, a presentation that I must tell

you, after a week and a half, is radically different from most of what we've heard. I'd like to cite an example from yesterday to get your reaction to it. We had Sid Ryan in here on behalf of the Ontario Federation of Labour. Interestingly, driving in this morning I heard a radio commercial—apparently, they're running quite a bit of media—saying that the only way to go for Dalton McGuinty is, "Jobs, jobs, jobs. Just keep spending; don't worry about the deficits because they're an investment in our future." That's their perspective in terms of job creation. Clearly, you are violently opposed to that kind of philosophy.

Mr. Peter Coleman: Yes. I think government's challenge is to create the right economic environment for businesses to thrive. The majority of jobs come from entrepreneurial small businesses; they're not from big corporations. I don't believe that the government is going to be able to hire, hire, hire in the public sector. I think that the level of debt is unsustainable. We have to get that under control. We have to reprioritize our programs. I don't agree with Mr. Ryan, saying it's "spend, spend, spend." Eventually, there's a day of reckoning for our grandchildren in how we're spending money today. It's going to come sooner than later if we don't start the process to be realistic in how we're going to budget going forward.

Mr. Peter Shurman: In terms of "hire, hire, hire," if you take a look at the statistics—and I think you know them just as well, if not better, than I do—the net effect over the course of the six and a half years that the McGuinty government has been in power is to see not only negative growth in the private sector but to see positive growth in the public sector of 185,000 new employees, which you advocate downsizing by what I consider to be a reasonable approach. We're not going to, holus-bolus, fire a bunch of people, but by attrition, which, in a service that size, can be significant in its positive effect on the costs to the people of Ontario, freeing up money for the programs that we've had a stream of people in here asking about. Is that your position?

Mr. Peter Coleman: I think a lot of people are frustrated. They're having a tough time making ends meet, and these public sector unions keep on asking for more money and expecting raises. Most people are happy today to keep their jobs. I think that if the government picks a fight with the unions, there will be a strike, which will be very disruptive. So we're saying: Stop the process. Let them know that, "For every two people who retire, we're only hiring one back." It will eventually get things back to balance. I'd like to see cuts in the public sector, but I also understand that the government hasn't got the stomach to have that fight and have huge labour disruptions. If they say, "We're going to put this policy in place today, and we're not hiring any more; we're going to start with attrition and move forward," maybe we can get there.

I think the average person is disgusted by any conversation as far as any public sector union getting a raise when they're having a tough time making ends meet. They just see it going on and on. There's a disconnect from reality within the public sector union and it needs to stop.

Mr. Peter Shurman: I had a discussion the other day, on the record—we're obviously on the record now—with the elementary teachers. I've got no particular beef with teachers, but I don't like being told by people who represent public service employees that they are entitled to their entitlements; that although they haven't suffered because they had a contractual obligation with the government, over the course of time, their families suffered, and poor them; and that if we're going to save money, we should cut all of, or a good deal of—I'll be fair about it—the testing and yardstick measurements that we impose, like the EQAO, within our schools—which, if you want to translate that, is, "Don't measure us." I think that is a ridiculous point of view, particularly when you consider that the net effect on the public service versus the private sector is about a 28% gain in salary and benefits. I think you represent the private sector people who, at this point, have cap in hand and are saying, "Please help us."

Mr. Peter Coleman: And I think that's the challenge. The challenge is to find a balance to provide the service but try and lower expectations with some of these unions on how they're going forward. If you're going to make any meaningful cuts, at a point in time, you have to deal with the compensation issue within the government to allow priorities in the changing and shifting of demands and obligations.

But the thing is, too, every department should be looked at, saying, "Do we need this money in this department? If not, where should it go and be used somewhere more effectively?" I don't think governments in general do a very good job of saying, "Okay, we're going to pull back." If we were at a corporation that had lost $15 billion in tax revenue, we would be making these tough cuts, if we were a real corporation in the public sector.

Governments don't look at things that way. They have to look now, I think, at every department and say, "Do we need this department? Is it providing value and services for those that need help: the low-income people, the seniors, those that need assistance? We have to take care of them, but are the departments really wasting money and not putting any value forward for taxpayers?"

Mr. Peter Shurman: Hence your recommendation for zero-based budgeting. I know we just have seconds left, so very quickly: The 1% per year program spending idea would be, I assume, an average, as we know that hospitals, for example, are looking for 2%.

Mr. Peter Coleman: Yes.

Mr. Peter Shurman: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

NORTEL RETIREES AND FORMER EMPLOYEES PROTECTION CANADA

The Vice-Chair (Mrs. Laura Albanese): I now call on the Nortel Retirees and former employees Protection

Canada, NRPC, to come forward. Good morning. You will have 10 minutes for your presentation, and that will be followed by five minutes of questioning.

Mr. Donald Sproule: Good morning, and thank you, Madam Chair. My name is Don Sproule and I'm national chair of the Nortel Retirees and former employees Protection Canada. Thank you for this opportunity to speak.

I may be in a novel position of actually making a proposal that could actually save this government money. Today, we are urging all MPPs and the government of Ontario to create a provincially managed Ontario pension agency—what we're internally calling the "Ontario pension orphanage"—where stranded pension plans can land. We're also asking this finance committee to connect the dots between unfair bankruptcy laws and what is happening not only to the pensioners but what's happening to the pension benefits guarantee fund that has to step in to resolve those issues.

Let me focus right now on the Ontario pension agency. This concept was tabled by the Ontario Expert Commission on Pensions, recommendation 5-2. This concept, we believe, creates a win-win, both for the pensioners and for the province, and let me explain how.

Under today's regulations, when a pension plan is wound up because of a company bankruptcy, the assets must be sold to purchase annuities. This purchase needlessly locks in today's underfunding of the plan and further reduces pensioner payout because of extremely low yields in the annuity market today.

In the case of the Nortel pensioners, of which there are 17,500 of us in Canada, and about 70% of those are in Ontario, we estimate, on plan windup, we are going to take a 30% cut in our pension plans. On top of that, we're going to lose our health benefits—another 10%—so we're looking at a 40% reduction, on average, in terms of our income.

Under the Ontario pension agency, the plan would not be wound up. It could continue to exist on an ongoing basis, with exposure both to the stock and the bond markets. Yes, pension payments would be cut back, but to a sustainable level—actuarially sustainable—nowhere close to that would be done with the windup of the plan.

We estimate that under the Ontario pension agency, the plan payout reduction would be reduced by half. Instead of a 30% cut in payments on windup, we're looking at probably a 15% cut in pension payments. Clearly, this concept is a win-win for pensioners, but it is also a win for Ontarians because this can be implemented with no cost to the taxpayers. In fact, the increased pensioner payout has an upside for the province in terms of reduced societal costs and increased tax base from the pensioners.

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The direct win for the province, however, lies in the effect on the pension benefits guarantee fund obligations. I would note here that since the inception of that fund, Nortel has been a contributor to the plan and has paid its dues, its insurance, and the province has an obligation to honour this guarantee.

Since the obligations of the pension benefits guarantee corporation are based on the deficiency of the plan, if we go from a 30% reduction in pension benefits to a 15% reduction in benefits, the pension benefits guarantee plan gains. In fact, it's going to get the reverse: It will pay out less because of the higher ratio of payouts to the pensioners. So it would approximately cut in half the size of the PBGF payouts, and we believe this clearly to be a financial win for the province.

The Ontario pension agency is not just a win for Nortel; it's a win for other pension plans that are under exposure, in-distress companies like AbitibiBowater, Fraser Papers, Canwest and many, many more—and my good friend, my actuary right here, will actually tell you that this concept of the Ontario pension benefits agency will actually have positive effects on corporations in terms of how they handle their debt in pensions.

In summary, on the Ontario pension agency:

—It was recommended by the Ontario Expert Commission on Pensions;

—It does not cost the taxpayers a cent;

—It is not a bailout;

—It provides a substantially higher payout to the pensioners, and at no cost to the taxpayers; and

—It substantially lowers the provincial payout of the PBGF, again, a fund that was contributed to in its inception by Nortel.

In addition, I have the temerity to ask you to look at another recommendation of the Ontario Expert Commission on Pensions, which is actually to raise the payout of the pension benefits guarantee fund. The current level of that fund has not been updated since its inception in the 1980s. We believe that the requested increase should not come again at the expense of taxpayers, but rather we are asking this committee to take a very, very close look at bankruptcy laws and how they affect the risk management and the payouts of the pension benefits guarantee fund. We believe that pension plans and pension benefits are given a higher priority ranking in bankruptcy that could do a lot to actually impact the risk of the pension benefits guarantee fund.

Recent developments in the credit markets have allowed bondholders to actually make an unfair profit in bankruptcies, and they are downloading the costs of these bankruptcies to the pensioners and to the government in terms of the pension benefits guarantee corporation and in terms of social spending and tax base. We are asking this government and this committee to hold special hearings to understand the cause and effect of bankruptcy changes.

Finally, in our case, the case of Nortel, there is a sense of urgency. Unless this government acts quickly, the Nortel plan is on its way to windup, and we are going to take a needless 30% cut in our pension payments. With the Ontario pension agency, we believe we have a win-win proposal on the table and we are urging this committee and all MPPs to solicit the support of not only their caucuses, but also the government to act quickly on our behalf. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. I would ask Mr. Prue to proceed with questioning.

Mr. Michael Prue: You made a statement that the actuary sitting next to you can explain exactly how this would work. I'm intrigued. Could you do so?

Mr. Ron Olsen: Sure. The concept—

Mr. Donald Sproule: Ron Olsen from the Segal Co.

Mr. Ron Olsen: Thank you. The concept of the Ontario pension agency is that rather than purchasing annuities where, in effect, an investment decision is made by the plan to buy bonds—because that's what the insurance company does with the annuity proceeds—the plan stays invested in market-based funds: stocks and bonds. So rather than think in terms of what bond markets can deliver today, we can take a longer view—government can do that through the Ontario pension agency—and think in terms of a sustainable level of pension that's significantly higher than what would currently be available in bond markets.

Private plan sponsors today are not, in large numbers, buying annuities and making significant bond investments. The reason for that is they look at the capital markets and say, "Hey, we want to stay invested in a mix of stocks and bonds." The problem with the current legislation in Ontario is that it forces the plan to change its investment strategy simply because the plan's sponsor has failed. The plan has not failed; the plan's sponsor has failed. What we're suggesting, what we're recommending, what we're saying Ontario needs to do, is to establish this agency so that the power is back with the plan in terms of being able to continue to take that long-term view. The benefit, as Don has indicated, to the taxpayer is that greatly reduced payments are necessary by the pension benefits guarantee fund, because instead of, for example, a 30% cut, we're talking about something in the range of a 15% cut—a significant benefit to the taxpayer.

The other piece that Don mentioned is that the Ontario pension agency would then put in place a structure that could cause—further to Mr. Sousa's question, asked of the universities—relief, really, for solvency funding. That's very, very important for plan sponsors in the private sector. The mechanism would then exist—when the actuaries are doing their calculations, when recommendations are being made as to the solvency level of a fund, rather than contemplate that annuities would need to be purchased, instead, the thought would be, no, the Ontario pension agency is available as an alternative. That could dramatically change the way in which plans are viewed and the funding of them in the province. That would require additional changes, but critical to it is the establishment of the Ontario pension agency, as recommended by Professor Arthurs in his report.

Mr. Michael Prue: The second question is—I'm going to Appendix A, and it shows that the current windup process would pay a $1,522 monthly pension, and the orphanage concept that you're putting forward would bring it to $1,700. So there's an additional $178 available by going with this concept. Has this concept been brought forward to the Ontario government, particularly to the finance ministry?

Mr. Donald Sproule: Ron and I have been in discussions with the finance ministry, and they certainly have understood what we're talking about. Again, it's not a unique recommendation, because of the Arthurs commission. What they are saying to us is that we need to talk to the minister, because the direction will come top-down from the minister. Our action today in talking to you is to create a political environment to say that this is important to 17,500 people. We sent out notices to all MPPs today to explain our plan—so, creating the political environment to say that this should be done is where we're at.

Mr. Michael Prue: Have the bureaucrats in any way said that this plan, in their opinion, is unworkable? Have they given any cause for you to think that they think that this can't be done? If it's a political thing, we can do a political thing. Are they saying that structurally, in any way, what you're saying cannot be done?

Mr. Ron Olsen: No, they have not indicated that there is any conceptual difficulty with it. It is all about the political will to exist to make it happen. That is what we have been advised.

Mr. Michael Prue: So if this committee were to recommend this to the minister, that would be part of the process of what you want?

Mr. Ron Olsen: Right. The establishment of this arrangement would obviously require government actuaries to establish what precisely are the rules so that we are not in a situation where, in any sense, this becomes a dumping ground, or any of the negative consequences that can exist with any successful, in effect, government program. But in terms of what we require today, we require the support of the government to push this forward so that we can make it happen, have that very, very detailed discussion as to what the specific requirements would need to be of this program. But in terms of today, at a conceptual level, we're here to say that this is something that can help. It is a win-win situation for plan sponsors, for the Nortel retirees and certainly for the Ontario taxpayer.

Mr. Michael Prue: And it won't cost a penny.

Mr. Ron Olsen: The actuaries for the government would, of course, want to do their own modelling as to what they would envision to be the long-term cost of this. We see no immediate cash outlay in terms of immediate cost savings to the government. Depending upon the specifics of the design of the arrangement, we would need to focus on those issues in totality.

The Vice-Chair (Mrs. Laura Albanese): Time has expired, unfortunately, but we thank you.

Mr. Charles Sousa: Madam Chair, if I could have a point of order? I'd like to ask if you could share with us—with our group—the deck that you've provided the MPPs? I think it's a pretty clear, concise presentation.

Mr. Donald Sproule: Oh, absolutely. In fact, all of the MPPs will get one as well, as you're also MPPs.

The Vice-Chair (Mrs. Laura Albanese): Oh, you want to provide it to the members of the committee? Okay. Maybe a copy could be given to the clerk, and that will be distributed to all the members.

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CANADIAN PARAPLEGIC ASSOCIATION ONTARIO

The Vice-Chair (Mrs. Laura Albanese): We now welcome the Canadian Paraplegic Association Ontario. Good morning.

Ms. Lynda Staples: Lynda Staples.

The Vice-Chair (Mrs. Laura Albanese): Thank you, and you may begin any time.

Ms. Lynda Staples: Thank you very much. The Canadian Paraplegic Association appreciates the opportunity to speak to you today about the 2010 budget. Thank you for inviting us to the pre-budget consultations.

We would like to address some challenges that the province of Ontario is facing and offer the solution.

Since its inception in 1945, the Canadian Paraplegic Association has worked to assist persons with spinal cord injuries and other physical disabilities to achieve independence, self-reliance and full community participation. From the moment of injury, it takes enormous energy, time and money to rebuild each person's day-to-day life and dreams.

The highest occurrence of spinal cord injury to individuals is between the ages of 36 and 50. Spinal cord injury is one of the most traumatic events to occur in an individual's life, affecting family, friends, employers, community and, last but not least, the health care system. People can make a positive adjustment to spinal cord injury, given the right supports at the right time.

The Canadian Paraplegic Association currently delivers service through 16 regional offices. Our support network provides a number of core services for people with spinal cord injuries, including attendant services, rehab counselling, peer support, information services, community advocacy, and employment counselling, training and referrals. We work to enhance relationships and forge new partnerships with SCI network coordination.

The CPAO aspires to continue our partnership with the province of Ontario to provide vital core services to every Ontarian who sustains and lives with spinal cord injury so that people with disabilities can continue to be empowered to achieve full citizenship and lead productive lives. Working with the LHINs has also been a treasure for us.

Specifically, we have identified a way for the Ontario government to rework funding models for critical social programs, as detailed in the plan for community-based ventilator supports. As outlined in our submission, the Ontario government could reduce spending by over $5 million a year for 27 Ontarians alone while improving their quality of life. With the right community support system, these Ontarians and many others yet to be identified can live successfully in the community for many years, resulting in a higher quality of life for them and reduced cost to the Ontario government.

Presently, because of lack of adequate community supports, people who are medically stable, but need a ventilator, occupy intensive care units and alternate-level-of-care beds unnecessarily. They don't get the rehabilitation they require when they require it, and remain in hospital, sometimes for years, awaiting discharge to the community. Patients are forced to occupy acute care beds and ICU beds longer than necessary. This increases the time needed to admit patients from the ER, which in turn contributes to ER wait times.

CPA Ontario recognizes that the Ontario government devoted significant energy and expertise to deliver appropriate health care to people who need it. In 2007, in response to recommendations from the Chronic Ventilation Strategy Task Force, the Ministry of Health and Long-Term Care invested $5.2 million to improve institutional care for people on ventilators. This task force presented five recommendations that included aspects enhancing community-based services. Not one of these recommendations has been acted on yet.

In 2008 the long-term ventilation service inventory program presented five major priorities. Number one was to increase the capacity for and a choice of community living.

In 2008 the Toronto Central LHIN, at the request of the Ministry of Health and Long-Term Care, developed a long-term ventilation strategy and action plan, which still remains to be implemented.

Using bed costs in the 2008 long-term vent report, the government spends over $5 million more a year—approximately $7 million instead of about $2 million—in the community setting to house 27 people in chronic assisted ventilator care beds who could potentially be living in the community. Considering only 55% of hospitals in Ontario responded to this survey, there are more than 27 Ontarians waiting to benefit from community-based services, and more people are added to this burden every year.

CPA Ontario is pleased to have the opportunity to participate in pre-budget consultations by providing recommendations that offer solutions for some challenges faced by Ontario citizens. CPA Ontario is requesting the government of Ontario identify this as an immediate priority and direct the critical care secretariat in the Ministry of Health and Long-Term Care to work with our interdisciplinary team to renovate, fund and implement an improved, expanded community-based respiratory support program for Ontarians who require ventilator assistance.

Again, CPAO is pleased to have this opportunity and thank you very much for your attention.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. Mr. Arthurs or Ms. Sandals?

Mr. Wayne Arthurs: Yes, Ms. Sandals is fine.

The Vice-Chair (Mrs. Laura Albanese): Ms. Sandals.

Mrs. Liz Sandals: Thank you for this. I just happened to deal with a chap in my community who, when I first met him, was in ICU, I think with quite a medically complex tracheotomy. I believe he ended up in what would either be chronic assisted vent or a complex and continuing bed.

When you talk about community living, could you give us some more detail about the model that you're thinking about? Because my understanding, with this chap at least, was that with his level of medical need it would be very difficult to move below the level he was at and truly out into the community, which would have been his preference.

Ms. Lynda Staples: Right. Our intent is to develop a model that already exists out in BC. It's called PROP, the provincial respiratory outreach program. The idea is to be able to develop the community supports, like the attendant services and the outreach programs, to provide ongoing, 24/7 care to those who want to live in the community. Even though they have a need for a mechanical device to allow them to breathe, there's nothing else that gives them a reason not to live out in the community with their home, family and friends. So if we can provide the types of services and supports that they need we can then remove them from the beds, free those beds up for the ER times and give them the opportunity to have a quality of life in the community.

Mrs. Liz Sandals: So would this be the sort of thing where you would only be able to provide that service in a few selected communities? Certainly, in the case of the chap I'm thinking of, he would require 24/7 call service. That's obviously not something you can make available in every small community. So would it be in a few focused centres?

Ms. Lynda Staples: We have done some research, and we have a team ready to go for the mark if this is granted. The intent is to try and have the components in line with where the acute care centres are, so there would be Ottawa, Toronto, London and Windsor. If we work in line with the acute care hospitals, we have a far better success rate in getting the community supports.

Mrs. Liz Sandals: So you're looking at this as a service in the tertiary care centres.

Ms. Lynda Staples: As a start.

Mrs. Liz Sandals: Okay. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Thank you. We are recessed until 1 o'clock.

The committee recessed from 1149 to 1301.

The Vice-Chair (Mrs. Laura Albanese): The Standing Committee on Finance and Economic Affairs will come to order for our afternoon session. Before we begin, I'll just say that we have received, from our research officer, the document on the size of the public sector in Ontario that was requested yesterday.

SPIRITS CANADA

The Vice-Chair (Mrs. Laura Albanese): Having said that, we will welcome our first presenter for the afternoon. We call on Spirits Canada to come forward. Good afternoon. You will have 10 minutes for your presentation. That will be followed by five minutes of questioning by, in this rotation, the official opposition. If you could please state your name before you begin for the purposes of our Hansard recording. Thank you.

Mr. Jan Westcott: I'm Jan Westcott, the president of Spirits Canada. I'm joined today by my colleague C.J. Hélie. Those of you who know me have heard me say before that he actually does all the work, and after you listen to me speak, you'll understand that even better.

We appreciate the opportunity to appear before you today. On behalf of the Ontario spirits industry, we're pleased to share our views on the priorities for the Ontario economy in the context of the public consultations that you're doing as you prepare for this year's provincial budget.

Not surprisingly, spirits sales in Ontario were not immune to the general softness in the overall market. In fact, the value of net spirits sales through the LCBO—and I would point out that in Ontario, our sole point of distribution and interaction with the consumer is through the LCBO. Our market for Ontario consumers was down 0.1% from about a year ago. There was a time, not too long ago, when facing such circumstances, the LCBO might have been directed or tempted to increase their product markups to raise net revenues for the province. The result would have been the beginning of a downward spiral as further depressed sales and revenues flowed from that. We actually commend the decision to hold firm on commodity tax rates this year, and think that's an important step that has been taken.

You will be aware that we are significant exporters. In fact, our industry exports, on average, about 70% of what we make, and the vast majority of that is exported from Ontario. In regard to our international business, 2009 provided a modest rebound from what was a pretty disastrous 2008. Our spirits exports value increased by about 5% last year, after falling almost a full 10% the previous year, mostly due to the global economic crisis. The dollar plays a little bit of a role, but I think it was really the economy, particularly in the United States.

The continued depressed revenue from our international sales puts a great deal of financial strain on our local manufacturing facilities. Basically, what happens is that not very much changes in the business except that the cash flow that comes in from our US sales declines pretty dramatically. So to remain competitive in a global market, our manufacturing sites have to continually reinvest in new technologies, new infrastructure and productivity enhancements in order to survive and continue to prosper. Softening sales at home and particularly abroad really combine and conspire to make these investments that are so necessary to the business even more difficult to justify.

It's for these reasons particularly that the Ontario spirits industry fully supports the decision announced last year for Ontario to harmonize its antiquated provincial sales tax with the federal goods and services tax. The

harmonized tax will reduce the administrative burden of companies having to deal with two separate sales taxes, reducing both red tape and internal compliance costs. More importantly, it will allow manufacturers to reduce their true costs of operation and new investments by the refunds available on input credits through the HST that were not available with the old PST.

For the beverage alcohol sector, there are a number of complications in moving towards the HST due to the historic higher PST rates on beverage alcohol than those applied more generally to other products. As you are probably aware, beverage alcohol was subject to a rate of 12% on our retail sales and 10% on on-premises drinks versus the general rate of 8%. We're actually still waiting for the specific adjustments to the LCBO product markup rates that will be implemented in conjunction with the introduction of the HST.

However, finance officials have confirmed that it's their intention to adjust those markups at the LCBO on a revenue-neutral basis and that there should be no net negative impact on spirits suppliers or on consumers. Obviously, we're going to hold the LCBO to these commitments and ensure that there isn't any deviation from that stated intention.

I'd also like to note that we were and continue to be active participants in what was a very large multi-stakeholder national beverage alcohol working group that was co-chaired by the Canadian Centre on Substance Abuse and Health Canada, and had representatives participating from almost all the provinces—certainly Ontario—to get to a new, modern, effective national alcohol strategy. It's in that context that we also support the decision that was taken in Ontario's Tax Plan for Jobs and Growth to ensure the introduction of the HST does not inadvertently depress retail prices for beverage alcohol, which potentially could lead to misuse of our products. We also support, therefore, the decision to annually adjust the beverage alcohol floor prices by a three-year moving average of the Ontario CPI to make sure that those retail prices remain relative to their value versus other goods and services in the market.

I think I'll stop there. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for that presentation. Mr. Miller.

Mr. Norm Miller: Thank you, Mr. Westcott, for your presentation today and for coming before the committee. I guess I'd first of all like to ask a bit about the HST. You were talking about it being a benefit. I assume most of your companies are fairly large companies that would have sales of $10 million or more. Am I correct in that?

Mr. Jan Westcott: Most of them. There are some smaller players in Ontario; certainly Kittling Ridge in Grimsby would fall into that category. We are seeing the establishment of some even smaller companies.

Mr. Norm Miller: So you'd have most or more—

Mr. Jan Westcott: It's a mix, but most of them would be large; correct.

Mr. Norm Miller: Okay. And in your analysis of the HST, you're aware that there are significant input tax credits that are denied for companies with sales of $10 million or more for up to eight years?

Mr. Jan Westcott: Right.

Mr. Norm Miller: That is a fairly significant item. At least in the budget, it's over $1 billion a year. We did have some groups coming before us asking that the elimination of those denials be sped up.

Mr. Jan Westcott: It would be better, there's no question. We've looked at the trend line and seen where it's going. The spirits industry is a capital-intensive business. Certainly it would be better, but I think we like the direction it's going, for sure.

Mr. Norm Miller: You've mentioned exports. I think you said that two years ago they fell 10%, but there was a 5% increase this year? Was I correct in that?

Mr. Jan Westcott: Yes.

Mr. Norm Miller: Is that mainly to the United States or is it around the world? And what is the potential for increasing that business?

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Mr. Jan Westcott: Our largest export market is the United States. Canadian whisky continues to be the largest-selling whisky in the United States. We outsell most of the other whiskies combined.

We do export to almost 200 countries around the world. Europe would be our second-biggest export market, followed by Asia.

Mr. Norm Miller: What about the potential for increasing the business?

Mr. Jan Westcott: Certainly, while the United States works its way through its economic turmoil, I don't think we're going to see a lot of short-term potential. People talk about that being years. In other export markets, there's certainly some opportunity. We're looking very hard at Asia.

We tend to be, more so in the United States than in Canada, a product that is consumed on-premise. In economic slowdowns, hospitality, tourism businesses—all the on-premise businesses are one of the very earliest to be hit and often one of the very latest to come out of it. So we don't expect that we're going to see a lot of upside on the US in the short term.

Mr. Norm Miller: Right, okay. I think my colleague wants to ask a bit about a bottle of whisky, I think was his question.

Mr. Peter Shurman: I want to know about a bottle of whisky. My friends in the United States like rye whisky but they like to make sure that I call it Canadian whisky when I'm down there.

Speaking of that bottle of Canadian whisky, if I understood you correctly, when I go to the LCBO to buy that bottle of Crown Royal for, let's just say, 40 bucks, after the HST is implemented I should experience neutrality on that price. Was that right?

Mr. Jan Westcott: That's what we've been told, yes.

Mr. Peter Shurman: So "neutrality" would mean that somewhere in the chain, there is a cash grab, in the way that I understand the implementation, because the layers, we've been told by the government, would be excluded

so now there's only one tax that's payable and it's by the end user.

Mr. Jan Westcott: As the new rate reflects an 8% PST element, as opposed to 12% or 10%, the government has said that it's not going to give up that revenue. It's going to continue to get that revenue and markups will be adjusted. There's no gain but they're not giving up that revenue.

Mr. Peter Shurman: In other words, I don't get to benefit and neither does any other whisky drinker.

Mr. Jan Westcott: No, and do not expect to see a price decrease.

Mr. Peter Shurman: I guess I'll just have to drop my consumption.

Interjection.

Mr. Jan Westcott: At the same time—no, we've been assured that prices will remain the same.

Mr. Peter Shurman: Thank you. Do I have any more time?

The Vice-Chair (Mrs. Laura Albanese): You have 45 seconds.

Mr. Peter Shurman: Okay, quick question: Any comment on the recently bandied-about discussion of disposal of government-owned assets, like the LCBO? I know you can't answer in 30 seconds how it would affect you, but the response of the industry in general terms?

Mr. Jan Westcott: We participated in six formal reviews of liquor boards, for want of a better thing, across the country, none of which have actually seen any change. What I say to my own members is that until we see an exact proposal and what the model is going to be, we can't comment. Because there are so many different variations out there, we don't know. Some of them might be good for us; some of them might be bad for us. Some of them might be good for the consumer. It has to be a specific proposal before we can really have a response and take a position.

Mr. Peter Shurman: Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation this afternoon.

Mr. Jan Westcott: Thank you for the opportunity to present.

CANADIAN CANCER SOCIETY, ONTARIO DIVISION

The Vice-Chair (Mrs. Laura Albanese): Now we call on the Canadian Cancer Society, Ontario division. Good afternoon. You will have 10 minutes for your presentation. There could be up to five minutes of questioning afterwards. Please identify yourself for the purposes of our Hansard recording before you start.

Ms. Kathleen Perchaluk: Sure. Rowena will be starting. I'm Kathleen Perchaluk, manager, public issues.

Ms. Rowena Pinto: I'm Rowena Pinto, senior director of public affairs for the Canadian Cancer Society. First of all, thank you very much for allowing us to present to all of you. We're very happy to be here today.

I would like to begin by thanking you for the opportunity to speak to you today about the society's recommendations for the government of Ontario's 2010 budget. The implementation of our recommendations will help the society's staff and volunteers continue our fight against cancer.

Over the years the government has taken some positive steps towards reducing cancer incidence and improving treatment options. Laws, including the Smoke-Free Ontario Act and the Cosmetic Pesticides Ban Act, are impressive examples of the government's legislative efforts in the area of cancer prevention. However, as you know, cancer is a huge issue and there's still more work to be done. So today, we're going to cover a couple of our issues, but you'll see that in the bigger submission we cover quite a few more.

Over the next 10 years, Ontario will see an unprecedented rise in the number of people with cancer, and this is largely due to an aging and growing population. People's personal risk in cancer has not grown; however, because we do have aging demographics and we have more people joining Canada through immigration, we will see more cancer cases. In the years ahead, 44% of men and 39% of women are expected to develop cancer. Therefore, it is important for the government to focus on cancer prevention and enhancing the quality of life for Ontarians living with and beyond cancer.

According to the 2009 Canadian cancer statistics, it is estimated that in 2009, 27,900 Ontarians died from cancer and another 65,100 Ontarians were diagnosed with the disease. To put this increase into perspective, in 2007, 172 people in Ontario were diagnosed with cancer each day. By 2017, that number of newly diagnosed cases is expected to jump to 228 per day, which is equal to 83,220 per year, unless there are more significant changes made related to cancer prevention.

Ms. Kathleen Perchaluk: The society realizes there are significant economic challenges facing Ontario. However, it is important to note that cancer is a major cost driver in the provincial health care budgets and affects the ability of all levels of governments to collect revenue and pay for services. Therefore, the cancer burden is an extremely important budgetary consideration.

Ontario currently spends approximately $2 billion per year on cancer care. The indirect costs associated with cancer, such as loss of productivity, cost Ontario approximately $5 billion per year.

Through effective legislative changes, the government can further reduce the impact of cancer on Ontarians and their families. The society encourages the government of Ontario to address our recommendations around tobacco control, indoor tanning, environmental and occupational carcinogens, access to cancer drugs, and healthy eating and active living in your 2010 budget.

Ms. Rowena Pinto: As mentioned, just based on time, our comments today will focus on two significant cancer prevention priorities: tobacco control and indoor tanning. But I encourage you to review all of our recommendations in our pre-budget submission.

Tobacco use is one of the largest known contributors to cancer. It is the major preventable cause of death in Canada. In the area of tobacco control, the society is still committed to pursuing the solutions necessary to curb the rampant contraband issues facing our province.

In spite of the great progress with tobacco control measures, smoking rates in Ontario are no longer declining. One important reason smoking rates have not dropped further is because the price of tobacco products is too low, mainly due to illegal cigarettes. It is important to mention that taxation is not the cause of contraband. Ontario and Quebec have the worst contraband problem and the lowest taxes in Canada.

To highlight the severity of the contraband issue, contraband tobacco is showing up at schools and neighbourhoods in unbranded clear plastic packages and being sold for as little as $6 for 200 cigarettes. We also know that 25% of daily youth smokers in Ontario regularly smoke illegal cigarettes. Studies conducted by the Ontario Tobacco Research Unit estimated that almost one in four smokers purchase contraband cigarettes, and more recent studies indicate that illegal cigarettes may now represent about 30% of the market.

The society remains concerned that the progress made under the Smoke-Free Ontario Act, especially with youth consumption, may be whittled away by the problem of low-priced and untaxed contraband products. Therefore, the Canadian Cancer Society continues to call on the government of Ontario to take swift action to curb the availability of contraband tobacco to youth and others.

Our recommendations include:

—enforcing the current regulations around tobacco quotas. Several other provinces have quota systems for reserves, including BC, Manitoba, Nova Scotia and New Brunswick, and all are being enforced;

—establishing a refund rebate tax system, which, in conjunction with the quota system, would make it more difficult for on-reserve retailers to sell tax-free cigarettes to non-natives. This system is already in place in Alberta, Saskatchewan, Manitoba, Quebec and New Brunswick;

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—prohibiting the supply of raw materials to unlicensed manufacturers. This would definitely give a blow, especially to the counterfeit and illegal cigarette market;

—establishing a bond of $5 million for a tobacco manufacturer's licence;

—empowering all peace officers, including tobacco inspectors, to seize illegal tobacco and lay charges or assess penalties for unpaid tax. Currently, only the RCMP is able to do so. All other peace officers, if they see contraband actually have to call and get permission from the Ministry of Finance to seize and charge; and

—shut down all illegal manufacturing facilities across the border. Obviously, we would have to work with our federal colleagues on that.

With these few but very important measures, we do feel that we could have a huge impact on contraband cigarettes and therefore increase cessation here in Ontario.

Ms. Kathleen Perchaluk: Now to touch on our other recommendation on indoor tanning. For more than three years, the society has been advocating the government of Ontario to restrict the use of indoor tanning equipment for youth under 18 years of age.

In July 2009, our need for action became even stronger. The International Agency for Research on Cancer confirmed what research has suggested: a definitive link between tanning bed usage and melanoma skin cancer. A research analysis concluded that using tanning beds before the age of 30 increases a person's risk of developing melanoma by 75%. We also know from a study the society released last year that indoor tanning industries do not adhere to the voluntary Health Canada guidelines that are currently in place to protect the health of citizens both young and old.

With melanoma skin cancer being one of the most common forms of cancer for youth between the ages of 15 and 29, we need the government to take action immediately. The Canadian Cancer Society calls on the government of Ontario, through active legislation, to:

—prohibit the use of indoor tanning equipment by youth under the age of 18;

—develop and maintain a registry of licensing systems for indoor tanning equipment in Ontario with fees put towards enforcement;

—restrict the marketing practices of indoor tanning facilities and prohibit tanning salons from targeting youth in marketing campaigns;

—implement mandatory training standards for staff operating indoor tanning equipment, including identifying skin types and the potential dangers that each skin type may face with exposure to UVR rays;

—ensure that the risks associated with indoor tanning are posted in clear view of equipment.

Other jurisdictions such as Scotland, Germany and Australia have recognized the risk associated with indoor tanning equipment, and are moving forward with legislation that will restrict its use by youth under the age of 18. In order to protect the health of our youth in Ontario, we need to do the same.

In closing, Rowena and I would like to thank you for your time and consideration given to our recommendations. Whether it's working to eradicate cancer through prevention and healthy public policy or working to enhance the quality of life of people living with cancer, we know we have allies in the government of Ontario and all MPPs here at Queen's Park.

We're happy to take any questions at this time. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you so much for your submission. I would now ask Mr. Prue to proceed with questioning.

Mr. Michael Prue: Thank you very much. You have outlined, first of all, the serious problem of illegal tobacco. It is estimated that 30% or more of all the cigarettes smoked in Ontario are now sold clandestinely.

We've had a couple of deputations on this from unlikely sources. One was Imperial Tobacco asking us to crack down. I remember commenting to them that it was like the pot calling the kettle black because they themselves had been illegally importing tobacco in the past. But we also had the retailers, who are here today—small store owners—who are seeing their sales go down hugely. They are worried that the HST is going to further drive sales underground. Have you had any discussion about the actual sales increasing beyond 30% as a result of the HST?

Ms. Rowena Pinto: We know that price plays a huge role in this whole issue. Obviously, as mentioned, contraband cigarettes are sold for a portion of what legal cigarettes are sold for, so what we do imagine is it could potentially increase the contraband market for sure. Where we're caught is, we know that actually raising the price of cigarettes is an absolutely fantastic cessation tool; it actually inhibits youth from initiating smoking to begin with. We know that at least 4% of adult smokers will quit smoking each time there is a price increase and double that number of youth will quit smoking because they are so concerned about price. So, are we upset that the price will go up because of HST? No. However, if we don't do something around contraband, yes, you could very likely see an expansion of the contraband market.

Mr. Michael Prue: What I'm worried about—because you've suggested a $10 increase. If they were all legal cigarettes, I would say "$20." But I am worried that if we push the price too far, we'll drive it underground and people will be smoking cigarettes that cost $6 or $8 a carton. We'll just force them into that.

Ms. Rowena Pinto: Yes, most definitely. A few years ago we were very vocal about raising the price of cigarettes, but obviously we've backed off on that, but it's something we still include because it is such a good measure in terms of stopping smoking. However, you're right: With the current contraband issue and the way it is right now, we need to get a handle on that, because you're very correct that if we don't, really we're just shifting where the smoking is occurring and we're not necessarily capturing all the people who are actually taking up smoking.

Mr. Michael Prue: Quebec has taken some huge enforcement action in the last few weeks, and you are recommending some of the things that are contained in the Quebec bill. Should Ontario move to pass a Quebec-like bill in very short order? Should we be doing exactly the same thing: allowing police to make arrests without going through the RCMP; beefing up enforcements; arresting people who are trading in cigarettes off-reserve, or whatever?

Ms. Rowena Pinto: Most definitely. Right now, enforcement is very inhibited. As mentioned, currently the only people who can enforce this legislation, seize illegal cigarettes and make arrests are the RCMP. The people who are seeing a lot of this stuff are tobacco inspectors and the OPP and Toronto police etc., and they have their hands tied. Any way that this government can enable this to happen—even though it is a tax issue, it is still a legal issue and has a huge health impact. So I think any way that this government can actually help more people be able to engage in the enforcement side would be welcomed by all the enforcement officers we've spoken to.

Mr. Michael Prue: You've made a recommendation that the government increase the price or the taxes on loose tobacco. How much revenue would that bring in if they brought it up to the national average? I think it's a great idea, by the way.

Ms. Rowena Pinto: Yes. I'm not exactly sure if we have that number at the tips of our fingers, but it is a huge loophole right at the moment. Again, loose tobacco is about half the price of what you could normally buy for cigarettes, so people who can't afford cigarettes that are already rolled will buy that. At least bringing it up to the same level would definitely increase tax revenue for the government.

Mr. Michael Prue: Tens of millions of dollars.

Ms. Rowena Pinto: Potentially.

Mr. Michael Prue: Money that they need.

Ms. Rowena Pinto: Money that they need, yes; that we all need.

Mr. Michael Prue: All right. If I've got enough time?

The Vice-Chair (Mrs. Laura Albanese): No; sorry. It's only 15 seconds.

Ms. Rowena Pinto: Thank you so much for your time. I appreciate it.

The Vice-Chair (Mrs. Laura Albanese): Thank you for appearing before the committee this afternoon.

Our next presenter, the Council of Ontario Construction Associations, has cancelled.

Before we move to the next presenter I would like to, while I have the attention of all the members, remind them that for our subcommittee report, the proposed recommendations should be filed with the clerk of the committee by 12 noon on Friday, February 19, 2010. I would like to remind you of that deadline and also that the date for report writing is Thursday, February 25, 2010.

Having said—

Mr. John O'Toole: Chair, just a question: Logistically, in the event that the government chooses to prorogue the House—the provincial Legislature—will these orders you're giving now still stand or will the committee be disbanded?

The Vice-Chair (Mrs. Laura Albanese): We'll worry about it once we find out if they prorogue.

Mr. John O'Toole: I think it's important for organizing our schedules.

The Vice-Chair (Mrs. Laura Albanese): If they do, we'll make sure to inform the members as soon as possible.

Interjection.

The Vice-Chair (Mrs. Laura Albanese): We will make sure to inform you as soon as we know.

Mr. John O'Toole: I'd like it on the record, because as a courtesy the government could do it sooner; maybe just before the by-election.

The Vice-Chair (Mrs. Laura Albanese): Well, we have no answer to that. Thank you.

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ONTARIO ROAD BUILDERS' ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I will call up the next presenter, the Ontario Road Builders' Association. Good afternoon.

Ms. Karen Renkema: Good afternoon.

The Vice-Chair (Mrs. Laura Albanese): You will have 10 minutes for your presentation. That will be followed by up to five minutes of questioning from the government side, in this rotation.

Ms. Karen Renkema: Okay, thank you. You'll have to excuse me; I've come down with a bit of a cold here. I'll try my best to get through this.

Ms. Chair and members of the standing committee, good afternoon and thank you for having us here. My name is Karen Renkema and I'm the director of government relations for the Ontario Road Builders' Association. With me today is Alfredo Maggio, first-vice-president of the association and also president of Graham Bros. Construction here in the Toronto area.

I'm going to have Alfredo walk us through an introduction of our association as well as talk a bit about the infrastructure investment issue. I'm going to follow up with a few more comments about our core infrastructure as well as the HST.

I do also want to quickly note, before we move along further, that our comments today are based on our more formal submission that will be forwarded to the committee clerk in a short time so that it may be shared with the members of this committee. It will also cover issues such as the unfunded liability within the WSIB as well as our current regulatory environment.

I'll turn it over to Alfredo now.

Mr. Alfredo Maggio: Thank you, and good afternoon. ORBA is an association comprised of approximately 70 contractor members that perform work primarily for the Ministry of Transportation and municipalities across the province. We also have an additional 85 associate members.

Our membership consists of both union and non-unionized road-building construction firms in Ontario who collectively employ more than 50,000 workers during the peak season.

It has been a pretty busy year this year, and we anticipate that the year to come will probably be busier. But we still have capacity to deliver more infrastructure projects that the government and the economy are depending on as a way to continue stimulating the economy. However, our message here today isn't one of adding more shovel-ready projects to the list of where the infrastructure money should be dedicated. Instead, our message is that of strategic infrastructure investment.

Don't get us wrong: We commend this government's initiative and its federal government counterpart for the investments that you've made over the past two years. It is truly substantial and it was needed. We've been able to hire many employees and literally keep Ontario moving.

In addition to the infrastructure stimulus fund, we congratulate the government, through the Ministry of Transportation, for releasing the largest capital budget ever for highway investment and we look forward to its continuing to deliver budgets of this size.

We also have a five-year highway plan, through the Ministry of Transportation, which is very important to our organization, because now we can plan our training and equipment needs five years ahead. That is something that we encourage for all levels of government as they plan their infrastructure spending. This government is truly committed to infrastructure investment, and we, as builders of transportation infrastructure, recognize that.

Now back to our strategic message as it relates to infrastructure. I'm going to leave the details to Karen, but let me quickly outline four key points.

First, now is not the time to take the pedal off the gas on infrastructure funding. Furthermore, the infrastructure deficit illustrates that we have many years ahead when dedicated infrastructure funding must continue and perhaps increase.

We also encourage the government to consider that in these tough economic times, we should focus on core infrastructure—bridges, roads, water mains—infrastructure that needs to be maintained for increased public safety and to keep Ontario moving.

Finally, we would suggest, in the future, as a stipulation of any provincial funding, that the province require municipalities to maintain asset management planning in order to ensure that the infrastructure funding is being dedicated to the most appropriate assets that are in dire need of repair.

Thank you. Karen?

Ms. Karen Renkema: Thank you, Alfredo. To begin, I want to speak a bit about jobs in our current economic climate as it relates to infrastructure spending.

Earlier this year, ORBA commented on the college-of-trades legislation that this Legislature was considering. Throughout our presentation we made one thing very clear: The skill set that is needed for tradespeople in our industry is easily transferable from other industries, specifically those that are currently under tremendous pressure with increasing unemployment. Our industry can help—and we have—to provide jobs and to continue to stimulate the economy. With jobs being a continuing concern in today's economic climate, we are suggesting that now is not the time to drastically cease infrastructure funding.

In addition, the March 31, 2011, date—the artificial date when all stimulus funds need to be spent—is problematic. We cannot just shut off the tap then for a number of reasons, including that of jobs. We need to have a tapered approach on infrastructure stimulus funding. Infrastructure spending cannot be seen as an expense in any economic climate. It is always an investment, an investment in our future as a province. Any infrastructure

deficit that our province faces illustrates the need for ongoing infrastructure investment in our core assets.

In its November 2007 report Danger Ahead, the Federation of Canadian Municipalities warned sharply that an immediate investment of $123 billion is needed to prevent the collapse of Canada's infrastructure. An August 2008 study commissioned by the Institute for Research on Public Policy prepared by James Brox estimates a requirement for almost $200 billion in infrastructure investment—$123 billion in the short term to deal with the deficit and another $72 billion to address immediate capacity expansion needs.

Core infrastructure has a direct relationship to the productivity of Ontario businesses. If a company can move goods quicker or cheaper through improved infrastructure, its unit cost of production will decrease. If there is inadequate transportation capacity—roads or transit—to get employees to work on time, unit cost of production will rise.

A well-known report on the costs of congestion in the GTA estimates that it costs businesses over $2 billion per year in lost productivity. The previously mentioned IRPP report empirically establishes the case that long-term infrastructure investment increases the productivity of private capital. Specifically, Mr. Brox calculates that a sustained annual increase of 10% in core infrastructure investment could deliver a 5% reduction in Ontario manufacturers' unit production costs.

Ontario's public capital stock is aging, and investment in public infrastructure has dropped to half of its average values in the 1960s when it's measured as a percentage of the GDP. Since 1960, growth in publicly owned core infrastructure has risen at an annual average of just 2%. Much of Ontario's core infrastructure was built in the 1950s and 1960s, and it's established that 59% of our infrastructure is now more than 50 years old. The cost for rehabilitation and maintenance of the existing public infrastructure in Ontario could be in the order of $5 billion to $10 billion per year. This is in addition to the current repair deficit, which could be as high as $19 billion.

Furthermore, the Auditor General's report, just recently released in December, focused on the need for a sustained infrastructure investment, particularly on our core assets, such as bridges. Ontario's bridges' average age equals to about 40 years, and 70% of our bridges were built in the 1950s and 1960s.

It is important to make the distinction between core infrastructure as opposed to other types of public infrastructure: those that address quality of life, but not necessarily fundamental economic and public safety objectives. In reference to core infrastructure throughout this presentation, we are referring to that aspect of public capital infrastructure that is directly linked to the production process. That includes infrastructure such as roads, bridges, sewers, water mains, water treatment and electrical power generation.

There will be many tough decisions in the 2010 provincial budget; we recognize that. We suggest that the government, when making decisions regarding infrastructure investment both provincially as well as municipally, consider that core infrastructure may be the best value for money in these times.

Furthermore, just a quick note on the point that Alfredo made on the requirement for municipalities to maintain an asset management system: We agree with the Auditor General that municipalities should be encouraged to maintain a system that will track the age and investment needed on their core infrastructure. In fact, we would suggest that such an asset management system be required for any future funding that both the provincial and federal governments direct to municipalities. In this way, the public and the provincial government can be assured that infrastructure funds are being spent on the assets that really do need rehabilitation, repair or replacement.

I also want to speak briefly on the HST issue. We were pleased to appear in front of this committee in December to support the HST legislation. For our industry, HST will provide clarity, consistency and ease of administration, where the applicability of it will no longer be confusing and the administration of the tax will be consistent. Harmonization will provide the ability to increase compliance in the collection of taxes and will also level the playing field for all our members in our industry to operate and compete. In addition, those in our industry will be able to access input tax credits that were never available before.

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In addition to the administration argument, it's also important to note that currently the proportion of purchases subject to the RST varies widely by industry. In the construction industry we are significantly impacted by the favouritism that our current tax system presents, which is heavily biased against investments in construction. Our sector realizes the highest proportion of purchases subject to the RST out of all industries in our province, and it's time for a more even playing field.

However, we do have three quick concerns on the implementation of the HST.

We spoke to you in December regarding the direction of the government and municipalities in procuring contracts and the direction that they need to give us on the HST. The Ministry of Transportation has moved forward in giving us clear direction on how we should bid contracts. However, there has been no direction from the provincial government to municipalities, and municipalities currently are all using different language in order to instruct bidders on how to procure infrastructure investment. We're suggesting that there needs to be standard language across the province.

The Vice-Chair (Mrs. Laura Albanese): I'm sorry, but the time is about to expire.

Ms. Karen Renkema: Okay.

The Vice-Chair (Mrs. Laura Albanese): Is that okay?

Ms. Karen Renkema: That's fine.

The Vice-Chair (Mrs. Laura Albanese): I'll then pass it on to Mr. Flynn for questions.

Mr. Kevin Daniel Flynn: Thank you, Karen and Alfredo, for your presentation. You did make it through fine.

Alfredo, you started off by saying you had a very busy year. There aren't too many people who have come forward and said that, so that's good to hear.

We had an expert witness who was in to see us just yesterday, or the day before, perhaps. His point was that if it hadn't been for the infrastructure stimulus, instead of slipping into a recession, we probably would have slipped into a depression. So the work you're doing out there is quite valuable.

We've had a lot of people come forward and say to us that this should be a year in which we should be concerned about jobs. Just how many jobs is your organization responsible for, and what do you think the infrastructure package has meant in terms of jobs either saved or created in the past couple of years?

Mr. Alfredo Maggio: Our particular company has about 400 employees during the peak season. What we've noticed since this infrastructure money started coming through—it's coming through for infrastructure and it's certainly helping our industry. What it's also doing is helping the industries that are still suffering, other construction sectors that haven't recovered yet. So they are migrating into our industry, which allows them to survive until their markets recover. Had we not had that infrastructure spending, and continued spending, there would be some serious detriment to the other industries in construction.

Mr. Kevin Daniel Flynn: Okay, thank you. The overriding message I got from both your presentations was to keep up the investment, that it has worked and it should work into the future, and it's something that should be sort of maintained.

You're talking about asset management planning. Do you have any idea of the percentage of our towns and cities, perhaps, that would comply today with those plans?

Ms. Karen Renkema: Yes. A number of our towns and cities are on different plans. I know that the Ontario Good Roads Association has a system in which municipalities can track asset management. At this point, I don't have a number off the top of my head. It's not very high, from what I remember.

I guess what has happened is, there's no requirement for them to buy in to the system. At first, it's administratively difficult to start complying and entering in your assets. So until there's a requirement for them to comply, a number of municipalities probably wouldn't do so or they're utilizing the system but maybe only for a couple of pieces of their infrastructure management plan, not their full asset management plan.

Mr. Kevin Daniel Flynn: Would it be fair to assume that those municipalities that have plans would be the larger, more sophisticated municipalities?

Ms. Karen Renkema: Yes and no. Yes, most of the larger municipalities do have an asset management plan system in place. I don't want to say that some of the smaller ones don't. There are some very, very good smaller municipalities that are looking at their infrastructure and managing it correctly, but there are also a number of larger municipalities that are doing so as well.

Mr. Kevin Daniel Flynn: Okay, wonderful. You gave us some good facts there.

The Vice-Chair (Mrs. Laura Albanese): One minute.

Mr. Kevin Daniel Flynn: I think you said, Karen, that a 10% increase in infrastructure investment leads to a decline of about 5% in the operating costs of Ontario's businesses.

Ms. Karen Renkema: Yes.

Mr. Kevin Daniel Flynn: Is that what you said?

Ms. Karen Renkema: Absolutely, yes.

Mr. Kevin Daniel Flynn: Could you expand on that a little bit?

Ms. Karen Renkema: This was a report that James Brox did for the Institute for Research on Public Policy. He looked at some of the declines in some of our productivity, specifically in the GTA, but also across Canada. So that number is just an average across Canada. Perhaps it could even be dramatically increased within the greater Toronto area.

The Vice-Chair (Mrs. Laura Albanese): Thank you. Sorry, the time has expired. Thank you very much for appearing before our committee this afternoon.

Ms. Karen Renkema: Thank you for your time.

GENNUM CORP.

The Vice-Chair (Mrs. Laura Albanese): Now we have a slight switch, so we'll call Gennum Corp. to come forward. Good afternoon. You will have 10 minutes for your presentation. That will be followed by five minutes of questioning. If you could state your name before you begin. Thank you.

Dr. Franz Fink: Good afternoon. My name is Franz Fink. I am the CEO of Gennum Corp., a $100-million semiconductor company headquartered down in Burlington, Ontario. With me I have our chief financial officer, Gord Currie; and our senior VP of HR, Bruce Hannah.

I really appreciate this opportunity to share with you an Ontario success story, creating knowledge-based jobs here in Ontario and competing globally.

As you all know, two weeks from now, the Olympics are going to take place in Vancouver, and I'm as exited as you to see the games. I am even more excited because I know that none of us could see the games in high definition without Gennum products that are being used at the Olympics, but are also being used to bring the games, in high definition, to your televisions.

In recognition of this work, we are the only Canadian company amongst other technology companies that received, in 2006, what is called the National Academy of Television Arts and Sciences's award for broadcast

innovation. This is an acknowledgement for our engineers we have here in Ontario—in Toronto, in Burlington and in Ottawa—for our innovation of products that, once more, and I'll go into more details a little bit later, enable games to be captured, whether it's a hockey game, whether it's downhill, distribute it over the broadcast, over the Internet, and bring it in high definition to your HDTV. So it's a fact: Without Gennum, Gennum's innovative engineers and our products, there ain't no HD Olympics or seeing Canada winning the games on the TV.

Now with this, let me also make here a very important point: Thank you for your support over the last 30 years. Clearly your policies and use of power have helped us to compete globally and have allowed us to build a company of over 400 employees today, 300 and more in Ontario, and really compete globally.

To continue to compete, it is critical for us—as innovation of those products is at the heart of the company—to continue to hire the best people. Ontario is a hotbed of engineers who know how to do those products best, and I'll go into a little bit more detail. Obviously, delivering more innovate products faster is essential to continue to compete, moving forward.

Now, if you talk about our customer base, through our work and investment over the last few years, we have created over 500 customers worldwide. Amongst them are companies like Sharp, Sony—if you would have a Sony TV—Panasonic and others that obviously capture, broadcast and distribute it around the world.

Now, let's come to the Olympics just for a second, and where our products are. Whether it's in a camera capturing the hockey game, whether it's in those trucks where there are mini-broadcast studios obviously working on what they have captured, to distribute it over broadcast into your TV, so in your TV, or being stored in the Internet and you download a video clip, once more, you won't see a clip, you won't see a TV program, without the video having gone through a Gennum product along the way.

This opportunity we have here together—and we're going to give some of those products around here—is that obviously, as more video is being captured and more HD video is being captured, more Internet traffic is distributed around the world. In other words, the market is coming our way on what we do best. Ever more innovative products are being required to do that effectively, cost-effectively and with the highest quality of picture.

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Now to what is enabling, so far, our success here: We support your policies and programs, whether it's education policies, shared tax credit or the HST. Where we would like to see programs be a little bit more flexible is in job funds and in loans. Let me just make one important point here—and maybe I can capture your attention, even though I like the Emmy as much as you do. Last year we tried to grow even faster, keeping jobs in Ontario and acquiring Tundra Semiconductor. We were very competitive in the bid, but ultimately a US competitor outbid us, and we could only go so far. With more flexible loans or funds, I would be fairly confident in saying that we could have kept those 200 jobs here in Ontario. We are very profitable, we are growing, and we are very well-respected in what we are delivering. It's just constantly continuing on this path and moving faster.

In that context, once more: Knowledge-based jobs are key. We have programs with all the respected universities, whether it's University of Toronto, Queen's or McMaster. Over the last 10 years, we hired over 127 students, and by the way, we are talking about real, knowledge-based jobs here. Believe me, while I have done many things, I'm not quite skilled enough to do those products our engineers do.

There are not many places you find those skilled jobs. They are very differentiated. You find some here, and you find some in Ottawa. We have a small team in Calgary. Of course there are some in the US. But we have the skills, and we can build upon it. We just need to make sure that we continue to hire those people.

By the way, the average salary to start, just to let you know, is $70,000. So we are talking about people coming from university with very meaningful jobs and very meaningful base salaries.

Where are some of our challenges? As you can imagine as you look at the product, a significant R&D investment is required. The product development cycle is anywhere from 12 to 36 months, so we are talking about a very significant investment. By the way, last year we delivered 20 products for all sorts of different applications, from TV to cameras to routers to storage units, to the marketplace

In that context, you'd obviously ask, "What's your opportunity?" Well, it's huge. Today we are talking about a market worth hundreds of millions of dollars—let's say $500 million to $700 million—but as the traffic goes up, ever more of those products have to be used in all sorts of equipment around the world. It's becoming a multi-billion-dollar market growing at an annual rate of more than 30% over the next 10 years.

In that context, we are the only Canadian innovator left in the semiconductor industry. It's a very differentiating product. From that perspective, obviously not just hiring more people here to grow faster but also having flexible funds to acquire some of our competitors is key moving forward.

Let me summarize: We really support your programs. We appreciate the support you have given us over the last 30 years to be competitive. We support you, and your programs create knowledge-based jobs moving forward. We are prepared to partner with you and again; having access to flexible programs here or there would obviously help us to even accelerate this and move faster.

With that, I would like to thank you for the opportunity to present here to you today. I would like to reconfirm that we like to be here in Ontario. We would like to grow here in Ontario, and we are determined to partner with you to accelerate that here in the months and years to come. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Well, thank you for your presentation. I guess we will ask if we can take the Emmy as an exhibit for the committee.

Laughter.

The Vice-Chair (Mrs. Laura Albanese): Having said that, I will pass it to Mr. Shurman for questions.

Mr. Peter Shurman: Remarkable presentation, Dr. Fink, thank you very much—lovely products.

I want to save a minute for my esteemed colleague Mr. O'Toole, so if I can get some short answers, that would be great. What support, if any, in broad perspective, did Gennum get from the Ontario government in the period of time that you've been developing?

Dr. Franz Fink: Most importantly, education programs obviously are very helpful. You are supporting universities getting those engineers. It is very appreciated. The tax program on the research and development side, of course, makes us competitive versus other people who have a slightly lower cost structure.

Mr. Peter Shurman: But you could have used some help in this bid last year, and you lost as a result.

Dr. Franz Fink: Let me talk about the bid. The bid is always dependent on how you can, with a capital structure, create a win-win. Obviously, we are very profitable. We have a good cash position, but one of our competitors had a better cash position. We had to go with more shares, diluting our shareholders. There was a point where we had to say, "This is our cash. These are our shares. We cannot dilute them further. That's all we can do." A flexible program putting more money on the table probably would have allowed us to pull that off.

Mr. Peter Shurman: We had a presentation yesterday from a venture capital group here in the province of Ontario. They talked about how Ontario had suffered to the tune of 50% on venture capital coming into the province last year when our fellow provinces had profited. I'm just wondering—a quick yes or no—if there was better organization in terms of venture capital and it was more attractive, do you think that would have benefited you?

Dr. Franz Fink: Absolutely.

Mr. Peter Shurman: Thank you. John?

Mr. John O'Toole: Thank you very much. I'll start with congratulations on the technical Emmy Award. That's quite an achievement without government help. I'm in support of that, that you can do it on your own. Government needs to be there to make sure that you are aware of the opportunities.

On a personal level, I take a look at the slide here with the Olympic features. I'm quite familiar with CTV; my daughter-in-law is executive assistant to Keith Pelley, who is the CTV head of all of it. The technology, she said—I was talking to her on the weekend; she's out in Vancouver. It's true that Canada is a showcase right now, and if Ontario was there—are you there? Are you there with the support of the technology you've shown here today?

Dr. Franz Fink: We are not there showing our company logo and that type of stuff, but we are going to be there indirectly with partners because whether it's Evertz or Miranda—

Interjection.

Dr. Franz Fink: Those broadcast studios buy from us. By the way, the leaders in the marketplace from the equipment standpoint are Evertz, Harris and Miranda; they are Ontario-based and Quebec-based companies. Canada is going to be there, and we're going to be there with them indirectly.

Mr. John O'Toole: Indirectly, you're there as part of the technical team, I'm sure.

More recently, Ontario made a very important announcement with respect to technology investment—the Samsung deal. Do you think that Ontario is lacking the innovation and creativity to move forward? Do we need a foreign country to come in and take over that spot?

Dr. Franz Fink: I wouldn't say it's necessarily lacking because the talent and the innovative capability are there. I would say it's the aggressiveness to really capitalize on it with more flexible programs.

Mr. John O'Toole: I was disappointed, coming from Durham, an energy riding—the backlash is quite remarkable. Also, with respect to the go-ahead position on energy from all different sources, that's where the innovation is going to come from. Our universities—Waterloo, McMaster, U of T and Queen's—are centres of excellence in energy as well as technology. Do you think they're up to the job? You recruit from them all the time.

Dr. Franz Fink: Absolutely. I'm not an expert in all of those fields, but I would assume they're as good as the engineers—the engineers we hire are second to none in industry. It's just hiring more of them faster and having flexible programs to even more aggressively compete with our US competitors.

Mr. John O'Toole: I'm very impressed and I just appreciate your position with respect to building the economy on knowledge-based, skilled jobs that have good salary bases. That's what we need in the future. I commend your company on what you've achieved without a lot of government help. Please stay in touch.

What are the small pieces? Is it the regulatory application? Is there something they can do without a direct cheque for your industry? Technology, research, capital depreciation, all these other kinds of allowances in tax structure. Are there other things that can be done to stimulate, encourage and maintain those businesses in Ontario?

Dr. Franz Fink: Again, you're doing quite a lot. It's important to continue to support universities. I think the earlier question on infrastructure, attracting people like venture capitalists coming in here with flexible programs, putting seeds of start-up companies, clusters of companies that work together to leverage each other, is important.

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At the end of the day, we should not underestimate that as it comes down to business, it comes down to: What other significant support do you have? Very often,

it comes down to financials. While I appreciate that people don't like to write big cheques, ultimately, if you want to grow faster, it doesn't go without some of the big cheques.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

Mr. Bruce Hannah: Am I allowed to add to that question?

Mr. John O'Toole: Sure.

Mr. Bruce Hannah: I think programs like the Ontario jobs fund would have been tremendously helpful to us in 2009. It would have more than doubled our capacity to hire in 2009, in a down-year, but that fund was dried up.

Dr. Franz Fink: Because, remember, it's all about intellectual capital. That's why it's differentiating—it's all here, and not that many people can do it. That's with alternative energies and all that kind of stuff. So, if the funding is not there to seed that and to grow it, it goes slower.

The Vice-Chair (Mrs. Laura Albanese): We thank you for your presentation. Unfortunately, we're in overtime.

Dr. Franz Fink: Thank you very much.

Interjections.

The Vice-Chair (Mrs. Laura Albanese): The Emmy Award is quite a success.

ONTARIO TRUCKING ASSOCIATION

The Vice-Chair (Mrs. Laura Albanese): I would now invite the Ontario Trucking Association to come forward. Good afternoon. You will have 10 minutes for your presentation, which will be followed by up to five minutes of questioning.

Mr. David Bradley: Thank you. I'm David Bradley, president of OTA, and I'm joined by Doug Switzer, our VP, government relations. I don't have an Emmy with me today, but I think I deserve an award for coming down here the last 20 years, basically saying the same thing over and over again.

Mr. Charles Sousa: We're listening.

Mr. David Bradley: Actually, we're quite pleased to say that that is the case.

I want to start off by saying that trucking is one of the best leading indicators of economic activity that there is, so I have some cautiously optimistic news for you, compared to a year ago when we were here. There is a definite trend towards increased optimism in our industry, and we're usually six months ahead of the curve in terms of going down and going up in economic activity.

A year ago when we were here, 17% of carriers in Ontario, as represented by our membership, indicated that they were optimistic in their prospects for the industry. Today, for the first time—this is hot off the presses—in six quarters, in the industry, a majority of the players are now optimistic. It's a slim majority of 52% but it's a majority nonetheless.

It's clear to us that the economy touched bottom at some point in the third quarter of 2009, which is the positive news. However, we should inject a significant degree of caution at this point. Things are extraordinarily fragile. When we look at the freight market and where freight is moving, our members would put, out of three—out of the Canadian economy, the Ontario economy and the US economy, Ontario would be number two in terms of how good they're feeling about things. But the US economy is still a great concern, and we're seeing that insofar that the traffic southbound is still the weak link in the economic recovery. Of course, in Ontario, our export-driven economy is linked to what happens in the United States. That's something that we're going to have to really keep an eye on. I'm not here to forecast a double dip. We hope that's not the case, but things are fragile.

In terms of our budget presentation this year, for a number of years now we've been here calling for the harmonization of the PST/MJVT and the GST. We're happy to see that moving forward, and we would simply encourage the Legislature to focus on making sure that that gets done. There is a lot of work still to be done in terms of the detail, and for companies, whether it's trucking or anyone else—but in ours, because it's complicated by the fact that we cross borders, the sooner we can see the detailed regulations, the interpretations of some of the tax law, that will enable our members to start changing their accounting systems, their computer systems, to be able to accommodate that. There isn't a whole lot of time between now and July, and there's going to be a lot of work to be done at a time when people's attentions are still focused, to a great extent, on trying to keep their businesses above water. The sooner we can get to that, the better.

I've talked to you in the last number of years about some of the developments in our industry with respect to our carbon footprint, some of the proven and already available devices and technologies to reduce our GHG output significantly. Certainly harmonization of the sales taxes will help in terms of spurring investment, no doubt about it, particularly as it pertains to the proven stuff. We need the capital markets and the credit markets to cooperate, and that's still tight. Notwithstanding, certainly the HST will be a help.

However, when it comes to some of the really exciting new technologies and alternative fuels, which people like to talk about a lot, the economics there are such that it's still going to require supplementary effort on top of the HST. It's going to require looking at things that are available for other sectors of the economy, quite frankly: super-accelerated capital cost allowances, looking at how alternative fuels are going to be taxed, if they're going to be taxed—like diesel fuel, for example. We don't think that for some of the alternative fuels, if we want to get those into the marketplace and have them be economical, you'll be able to do that in a time frame that would see a significant impact without some tax incentive in that regard.

Again, we're really here to make the pitch that at no time in our industry's history have our economic goals been so aligned with society's goals in terms of the environment and in terms of safety. There are a number

of technological advancements under way. What we should be trying to do is to accelerate the penetration of that equipment into the marketplace as quickly as possible, working hand in hand in a joint partnership and a joint initiative.

That's really it. I'd be happy to answer any questions. Thanks.

The Acting Chair (Mr. Kevin Daniel Flynn): Thank you. The questioning this time around goes to Michael.

Mr. Michael Prue: The question I have relates first of all to the HST. You said that you represent people in the trucking industry. How many in the trucking industry belong and how many are not members, first of all?

Mr. David Bradley: We represent about 75% of the total freight market. Our membership is trucking companies of all sizes, from every region, every specialty. We do have small, independent owner-operators in our membership, but we wouldn't have the lion's share of those people. Those would be the one man/one truck businesses. But I would argue that they will be among the chief beneficiaries of this because they will no longer have to administer three tax systems; they will administer one and they will get a tax credit on their business inputs. For them, going out to buy a truck is an extremely expensive proposition and it's something they have to finance as well. I think it's a boon for them as well.

Mr. Michael Prue: I'm just wondering about the independents. We've had people come forward from the construction industry, from the retail trades, people who work cleaning homes, saying that it's going to drive a lot of the economy underground. How much of the trucking industry will take cash and say, "You don't have to pay the tax"?

Mr. David Bradley: I don't see that occurring at all. Independents don't deal directly with the consumer, as in a renovation and that sort of thing. We don't have an underground economy the way you would have in that sector. Most independents operate through a trucking company. They will often buy into the company's insurance program and those sorts of things, and you can't do that if you're underground.

Mr. Michael Prue: So there's no underground economy there? Because everywhere there is—

Mr. David Bradley: No. Again, we're not dealing with the consumer. Transportation services—we'll have to see in the details, but the way it works under the GST is, if you're crossing a border and those sorts of things, the transportation service is zero rated.

Mr. Michael Prue: All right. In terms of the environmental impact—because this is also very interesting—has there been any government support for trucks becoming more environmentally friendly; that is, programs and rebates in order to either increase the energy efficiency of the truck or to make them environmentally friendly by using other commodities? I just saw on TV Canada's first—I can't even think of the name of it. It scrapes the ice.

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Mr. Wayne Arthurs: Zamboni.

Mr. David Bradley: Zamboni.

Mr. Michael Prue: Zamboni. It was using—

Mr. David Bradley: Yes, from Stratford, using animal fat.

Mr. Michael Prue: Yes, they're using animal fat and fish-and-chip oil. Is there any program like that for trucks?

Mr. David Bradley: The animal fat or—

Mr. Michael Prue: Anything like that.

Mr. David Bradley: Well, let me put it this way: You'd need a hell of a big distribution system of animal fat before we could use that for the kinds of trips that we take.

However, that's what biodiesel actually is. Now, there are some issues in terms of biodiesel for winter use and that sort of thing, which can be ironed out. But that's certainly one of the things that are being looked at and in fact being used in some circumstances now.

In terms of programming, there has been some. It has been on an ad hoc basis. The government of Canada has a couple of programs. But let's put it this way: The dollars aren't big and some of the requirements, I think, are overwhelming for small carriers in terms of the data that they are required to provide. They operate these under what are called freight demonstration projects. What we're arguing is that in terms of the stuff that's known and proved, you don't need to demonstrate it. You just need to get it out there.

Ontario has a very limited program that we understand is going to come to an end next fiscal year that focuses specifically on auxiliary power units. That's helpful and that's one of the things in our enviroTruck program that's important. But there are a host of other things as well. What we've come up with are concept vehicles, and we need to broaden that.

As the gentlemen before us said, there is obviously a return on investment if we can improve our fuel efficiency. But it takes time for that payback and you need to have the capital and the credit in the first place to make the investment, and that's in very short supply right now.

The Acting Chair (Mr. Kevin Daniel Flynn): Thank you, David, and thank you, Doug, for coming today. Our time has expired.

INCOME SECURITY ADVOCACY CENTRE

The Acting Chair (Mr. Kevin Daniel Flynn): Our next presenter this afternoon is the Income Security Advocacy Centre. If you'd like to come forward and make yourselves comfortable. Like all the other presenters we've heard from, you have up to 10 minutes to make your presentation. That will be followed by five minutes of questions, this time from the government side.

Ms. Mary Marrone: Good afternoon, everyone. My name is Mary Marrone. My colleague is Jennefer Laidley. We're both here on behalf of the Income Security Advocacy Centre.

We're a community legal clinic. We have a provincial mandate to improve the income security of low-income

people across the province, and we do that through test case litigation, through policy development and advocacy and through community development.

We report to a board of directors. Our board has representatives from low-income people, academics and legal experts around the province.

The context for this submission today is the economy. Whether or not we're still in a recession—and I know the economists are debating that—I think it's clear that there's no recovery yet on the jobs front, and we've lost 208,000 jobs in this province.

There are two challenges that are being faced by low-income people today. The first is the short term: surviving the recession, paying the rent, paying the mortgage, putting food on the table. The second challenge is the long term: developing the skills to participate in the recovery when it comes, and to be full beneficiaries of future economic growth. We think that both of these challenges need to be addressed in this budget.

We're guided by this province's poverty reduction strategy. There's a commitment to reduce child and family poverty by 25% by 2013. We're also guided by the Poverty Reduction Act, which, as you know, received all-party support last year, and by the Premier's statement recently, where he stated that we're "building an Ontario ... where our vulnerable benefit from the best public supports."

Our focus today is on income security programs that are available in Ontario. Unfortunately, the reality is that they do not meet the needs of the unemployed and of low-income people.

Employment insurance is currently available to 41% of the unemployed. That's according to a recent report by the Canadian Centre for Policy Alternatives. I think it's important that Ontario continue to advocate with other provinces and the federal government to make improvements to EI. But in the meantime, the challenge in this province is that more than 50% of the unemployed do not qualify for EI, and again, according to the Canadian Centre for Policy Alternatives, many of those currently on EI will be exhausting those benefits in this year. That leaves us with Ontario Works and the Ontario disability support program.

The problem with these programs is that they are not particularly effective in building towards economic growth and they're not aligned to the Poverty Reduction Act or poverty reduction policies. Incomes, particularly under Ontario Works, remain punishingly low. The rates are well below any recognized poverty line, including the Christopher Sarlo-Fraser Institute poverty line. As important, the ability to supplement those rates is hampered or absolutely prohibited by Ontario Works rules. You may know that if one starts to work while on Ontario Works, there's a 50% exemption on earnings. Any other income, loan or gift that is received in a family supported by Ontario Works can be deducted, dollar for dollar, from the monthly benefits. That just serves as a ceiling and a trap, with these very low rates.

In this submission, we're providing 13 recommendations; you have them before you. We've grouped them into three themes. The first is our recommendations that we believe will help mitigate the impact of the recession, the second group is about preparing for the recovery and the third is about reducing child poverty. It's not a hard line between them—some of them will support more than one objective—but we wanted to organize them in some fashion for you. I'm not going to take you through all 13—we don't have time for that—but I am going to highlight a few.

I guess our first message to you today is first, do no harm. Please ensure you don't make cuts to current benefits and programs. Cuts are going to create unnecessary hardship, they will probably prolong the recovery and will create social deficits that will take decades to undo.

We have a number of recommendations around short-term changes that could be made to Ontario Works. We're bringing them to you today because they may have short-term budgetary implications, but we think they're good investments.

At the top of our list is increasing the asset limits and asset exemptions for Ontario Works. Right now a single person, to be eligible for Ontario Works, cannot have more than $585 in the bank. We're suggesting to you that it's urgent that this be changed. As I said earlier, there are going to be people who are exhausting their EI benefits who are going to need some short-term income support. Requiring them to strip themselves of assets in order to qualify for any income support at all is counterproductive. It will mean that they will fall into a poverty trap that they're not going to get out of.

Our recommendation on the asset limits is to increase it from $585 to $5,000 for a single person and to $9,000 for a family. This is supported by a number of groups, including TD Economics.

We're also recommending that RRSPs be exempt up to a maximum of $60,000. The recent report on long-term economic growth confirms what I think we've already been talking about—the changing demographics and the shrinking of the working-aged population relative to the retired. Let's protect the RRSPs for when people are really going to need them.

To help mitigate some of the current Ontario Works program, we're recommending that the rules make it easier for families to support people on OW. Don't deduct dollar for dollar when someone's receiving help in the form of groceries from a family member. We've had situations where somebody's regularly getting those groceries and Ontario Works has assigned a value to that and deducted it from the monthly cheque.

There's this bizarre rule that only seems to apply in OW and nowhere else: that loans are counted as income. People who are making ends meet at the end of a month might have to borrow $50 from a neighbour. The next month, they still owe the $50, and now their cheque has been reduced by $50. These are very small ways—they're not expensive changes but can do a lot to help people survive the recession.

Finally, this government has to address the adequacy of the incomes of people on OW and ODSP. There are a

number of different routes. The Put Food in the Budget campaign has recommended a $100 increase. There have been discussions around a housing benefit that would go into the pockets of people on OW and ODSP. There have been discussions about income support that could be based on public health standards for the cost of living. It doesn't matter how you get there but we have to find a way of increasing the incomes of people on assistance.

Finally, as we're moving more toward tax-delivered benefits—in order to get them, people have to file their taxes—we ask that you provide support to tax clinics so that people do file those taxes, particularly with the HST credits, to make sure that low-income people get those dollars.

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For the long term, the government has appointed the Social Assistance Review Advisory Council. We'll be making recommendations in April for a full review of Ontario Works and ODSP. We're recommending that the budget ensure it has sufficient resources for that review to take place. It's going to be very important for that to be a meaningful exercise.

On child poverty, I'm sure you've heard before that there are some child care spaces that are at risk with the ending of the federal funding. Don't let the child care spaces get caught in an interjurisdictional fight with the federal government. If women are going to be in the workforce and get out of poverty, we have to protect child care in Ontario.

I'm going to stop there. Feel free to ask me any questions on any recommendations I haven't been able to get to.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that. I'll turn it over to Mr. Arthurs.

Mr. Wayne Arthurs: I very much appreciate the presentation. I'm sorry, I didn't catch your name because I was busy thumbing through the submission as you were introducing yourself.

Ms. Mary Marrone: It's Mary Marrone.

Mr. Wayne Arthurs: Mary, sorry; I apologize. Often they're on the sheet beside us, and we didn't have a name. I was thumbing my way through and I got to the end, going, "I didn't even catch her name." So I apologize for that.

Just a couple of things. We've had a range of witnesses over our eight days of hearings now. Quite a number of them, as is not unusual, but particularly this year, have focused on income security, on support for the vulnerable, on poverty issues, on OW and ODSP issues. There's some fair consistency in regard to their presentations to us, some of which you've covered. I'm going to ask you more specifically about one or two of those. I think it's eminently reasonable in today's economy to start your presentation with a recommendation to do no harm. It's a very good starting point. I think almost everyone has acknowledged the economic climate we're in as well.

I'm particularly interested today, I must say, in the recommendations you have on what I'll call the lower or no-cost kinds of items directly, such as the retention of a higher asset value before one is eligible for OW, the earnings provisions before clawback, the issues around loans—those items that are a little less specific than "How do we increase the rates for OW and ODSP?" which is always on the table, but more so those other elements that provide a window out when folks find that they have the need for a period of time. I think these kinds of things you're talking about also position people a little better for the time when they can move away from the need of OW, as an example.

Ms. Mary Marrone: Just to be clear, we don't offer those as an alternative to a rate increase.

Mr. Wayne Arthurs: No. My comments weren't intended to imply that either.

Ms. Mary Marrone: The second point is that we see these as short-term measures. Our hope is that the review that will be recommended by the council will set the stage for the long-term changes that are needed to better align these programs. But in the short term, these are the things that can be done quickly. I think the assets piece is particularly important. It's important to people who are on the programs now, because at the moment, if you are working and still in receipt of OW, the instant your bank account goes over $585, you lose your eligibility. So we create a real trap with that very low eligibility level. It makes it impossible to save money and to start moving into a better place and out of OW—and permanently out of OW. What we want to stop is the cycling back and forth between low-paid, precarious work and back onto OW. You want people to be able to work their way out. If they are earning and can put away a nest egg, don't cut them off benefit supports when they've hit $600. We think $5,000 is a reasonable amount.

It's also important—and I think this makes it particularly urgent right now—for the people who are exhausting their EI benefits. You don't want to create a new group that's going to enter deep poverty. This could be a group that will just need some income support during the recovery process, until the jobs starts to reappear. Don't force them to strip whatever they've got down to zero and put them in the same trap the people currently on OW are in, and let them get back on their feet more quickly.

I know it has been argued that the costs may go up in that more people will be eligible for OW, but certainly many people have argued that they'll stay on it for a much shorter period of time if you let them keep that safety net.

The other issue is around casual gifts and loans. This kind of hits two points. I assume there's going to be some increase. If you can't find the money for the significant increase that's needed, at the very least, let people find other ways to survive. If families can help with some money, don't take it away by OW. That doesn't cost you any money.

It also reduces the surveillance. Right now, the only rule is, nothing beyond a casual gift or a small gift is allowed. It's undefined. It creates a climate of fear. We

heard a story of a mother who was afraid to go to a Christmas party during the poverty reduction consultations. She was afraid to take her kids to a community Christmas party because if her child got a gift, she was going to have to report it. She feared that her benefits might be reduced by that amount, and she couldn't afford it. Now, that probably wouldn't happen, but she thought it could, and it affects people's lives every day. I can give you an equal number of examples where similarly absurd situations have happened where, in fact, they have made the deduction.

I think these are easy ways to at least mitigate the impact of the current OW rules.

The Vice-Chair (Mrs. Laura Albanese): We thank you for that presentation. Unfortunately, the time has expired.

We will take a five-minute recess.

The committee recessed from 1428 to 1434.

The Vice-Chair (Mrs. Laura Albanese): The committee is reconvening.

COMMUNITY LIVING TORONTO

The Vice-Chair (Mrs. Laura Albanese): I'm calling on Community Living Toronto to come forward. Good afternoon. You will have 10 minutes for your presentation. That will be followed by five minutes of questioning. If you could please identify yourselves before you begin your presentation for the purposes of our recording Hansard.

Ms. Susan Seller: My name is Susan Seller, and I'm president of the board of directors of Community Living Toronto.

Mr. Bruce Rivers: I'm Bruce Rivers. I'm the CEO of Community Living Toronto.

The Vice-Chair (Mrs. Laura Albanese): Thank you. You may begin.

Ms. Susan Seller: Thank you very much for accepting our request to talk to you today.

For more than 60 years, Community Living Toronto has been a source of support for thousands of individuals who have an intellectual or developmental disability, and their families. Our association was formed in 1948 when a group of parents came together to find alternatives to placing their children in an institution. They formed what was then known as the Parents' Council for Retarded Children, and created the first community-based programs for children with a developmental disability. Still true to that grass-roots vision, we have grown into one of the largest associations of its kind in North America, supporting over 6,000 individuals and families in Toronto each year.

Our ever-changing and -adapting range of supports and services focuses on each individual's needs, goals and aptitudes and is reflected in our vision, which is that we change the lives of people with an intellectual disability by giving them a voice and supporting their choices where they live, learn, work and play. People who have a developmental disability require some level of support their entire lives. At Community Living Toronto, we support individuals of all ages, from birth through to senior years. For some, basic living skills such as using the television, preparing meals, using public transport, or even bathing and dressing require support. For others, who have a more independent lifestyle, we provide employment training, home support and access to education. Whatever their needs, our association provides accessible, community-based supports and opportunities for people with a developmental disability to participate fully in our community.

As president of the board of Community Living Toronto, I represent the collective voice of our board and all who are part of our association: 6,000 individuals who are being supported with an intellectual disability, their families, a membership of almost 1,000, more than 900 volunteers and over 1,300 full-time and part-time staff. On behalf of all these groups, I would first like to applaud your government for your work in the developmental services sector. A few highlights of that:

In April 2009, we celebrated the closure of Ontario's three remaining institutions. Finally, every person with a developmental disability will live in the community alongside their family, their peers and their friends.

Second, the Legislature recently passed the Services and Supports to Promote the Social Inclusion of Persons with Developmental Disabilities Act. For the first time in over 35 years, there is now new legislation protecting the rights of individuals to be included and respected and able to make choices in their lives. The act will transform the way services are delivered to people with a developmental disability and their families, basing support on what a person wants to do, where they want to live and what their goals and aspirations are. Finally, they will have the rights of every other person in Ontario.

The new Accessibility for Ontarians with Disabilities Act will remove invisible barriers and provide an opportunity for true accessibility for the thousands of people in Ontario who have a disability.

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Lastly, in 2007 the government provided an unprecedented $200 million of new funding over four years to the developmental services sector, which helped to alleviate some of the pressure that the sector was facing, including retaining and attracting qualified staff. With the recent economic downturn, we worked with the government through the increasing community capacity initiative, which tasked the sector with serving more people and families with the same amount of dollars. In the Toronto region alone, over 1.9 million in base dollars were saved while serving more people. Clearly, when the government asks us to step up, we do so.

At Community Living Toronto, we do this by looking to innovative models of support, such as online resources and planning tools that help people and their families connect to services, to each other and to community-based opportunities. We encourage the government to

continue to work with developmental services to support and increase capacity for service through these cutting-edge models of support.

However, even with these considerable successes, much still needs to be done—things like ensuring that the sector has capacity to provide supports to those without service, with special emphasis on senior parents, who are still providing primary care to their adult children at home, to help them plan for the future.

Second, having a disability does not mean that you should live in poverty. Currently, 73% of people with an intellectual disability live in poverty, and the current Ontario disability support plan or ODSP perpetuates the cycle of poverty by making it difficult for people to meet their daily needs and build a better quality of life. It is important, through the ODSP process now under way, that our most vulnerable individuals are not penalized, but are given the opportunity to have adequate food, shelter and clothing. A comprehensive plan is needed to ensure people's basic well-being and to provide them with meaningful opportunities to contribute to society.

Finally, all Ontarians with a developmental disability should have access to the supports and services that they need and know that trained, qualified staff are there to help them meet their goals. We are asking the province to honour the final 40 cents of its four-year commitment, which will help us to continue to attract and retain staff and stabilize the sector.

In furtherance of that, we have partnered with the Ministry of Training, Colleges and Universities to create an extremely successful apprenticeship program. Current plans to professionalize the sector will encourage more people to choose developmental services as a career. It is partnerships like that that should be maintained to build a stronger, more responsive and stable not-for-profit service system.

Working together, we need to ensure that people who have a developmental disability receive the support that they need. In our view, we must build on the positive momentum created over the past years to establish real opportunities for people to live dignified lives as full citizens of Ontario.

Bruce will now tell you about one family at risk of slipping through the cracks.

Mr. Bruce Rivers: Thanks, Susan. Just to give a face to the need, I wanted to talk to you about a gentleman by the name of Joe. He's 38 years old and has Down's syndrome. He lives at home with his 88-year-old mother, Iris. She's a widow, there are no other children, and she's Joe's sole caregiver.

Joe attends one of our day programs Monday to Friday, where he learns basic skills and employment readiness. His mom, Iris, has arthritis. Due to the pain, she's not able to go out and about in the community—only on a scooter. Joe's at home with her, needing constant supervision. His verbal skills are very limited and his capacity to operate independently in the community is of major concern as well.

Just two situations of late that bring the need to mind: One is a call that we received from the hospital indicating that Iris needed to stay in overnight and there was nobody to care for Joe. We provided respite in that emergency. A second call that came weeks later: After she had fallen at home, police attended to help out and she was refusing to leave because she was concerned there was nobody to care for her son.

That just brings to light some of the struggle that's out there, particularly with a group of parents that I wanted to highlight with you who sit on the wait-list. In Toronto, it's a wait-list of 2,300 individuals. The number of people who are over the age of 65 is startling. Five of the parents are over 90, 70 of them are over 80, and 178 are over 70 years old. We recently did a survey across the province, and we know that over 1,100 parents on a wait-list are over 70. All of that is to say that these people have really stepped forward to do what they could to support their children, but there will come a point, certainly in Iris's life, where she's going to need the support of government, the support of the state.

It's with that in mind that we need to address the plans that all of these families require, the support to plan when there are no other family members available to provide for their family member and also, as has been evidenced in other jurisdictions in the United States, the development of an emergency fund. We believe a 5% base would attend to this, because what happens when people like Joe come to our attention is, they take the top spot on the wait-list, and other people who have been waiting for service for years—up to seven years—just don't get there.

The Vice-Chair (Mrs. Laura Albanese): Thank you. I will now turn it over to Mr. Miller for questions.

Mr. Norm Miller: Thank you for your presentation. I note in your presentation that you say you have a waiting list of 2,300 people. Has that changed in the last three or four years?

Mr. Bruce Rivers: That's been quite consistent. It's been as high as 2,500. With the increasing-capacity initiative that Susan referred to, we were able to bring that down to some degree, but it has not addressed the real need. There are about 900 of those people on the list who are waiting for residential supports. The rest will be waiting for day and employment programs.

Mr. Norm Miller: What do you do with those people? Do you triage them somehow?

Mr. Bruce Rivers: We do. We provide them with triage support. We also, through our virtual community, ConnectABILITY, provide them with 24/7 information and tip sheets, but there's only so much that we can do in terms of the real need out there.

Mr. Norm Miller: Secondly, you talked about an apprenticeship program that you partner with the Ministry of Training, Colleges and Universities on. Has that been successful? Maybe explain that a little bit.

Mr. Bruce Rivers: It's been excellent. We've been able to internally recruit 15 additional people who are going to be attending college to receive their accreditation as a developmental services worker, a DSW. It's a whole move to professionalize and improve quality and

capacity through this partnership and making those training and educational experiences available with bursaries.

Mr. Norm Miller: So they go to college, they do a specific program, and then they apprentice?

Mr. Bruce Rivers: And they work in our organization.

Mr. Norm Miller: Do they apprentice with a particular person, then?

Mr. Bruce Rivers: They do.

Mr. Norm Miller: Is it one-to-one?

Mr. Bruce Rivers: It could be one-to-one. It could be in a group home with several people or in a program with a number of people.

Mr. Norm Miller: It's not specified. There's not a requirement—

Mr. Bruce Rivers: No, it's quite broad.

Mr. Norm Miller: Okay. Thank you very much.

Mr. Toby Barrett: Thank you for coming forward. We've had a number of presentations with respect to ODSP and poverty—have had, actually, for the five or six years that I've been on this committee—and the call to increase ODSP levels. You give some compelling statistics: the number of parents over the age of 70, 1,100 parents in Ontario over the age of 70 and what happens in the future.

You talk about facilitating life plans. I understand there are legal measures that can be made with respect to inheritance, passing on inheritance without the government grabbing it, I suppose. We've heard the call for being able to, if a person's working and they make a bit more money than the ODSP, bank that or to save that. I just wonder about that legal measure or the possibility over the years to build up something that could be put into an annuity, even though it's coming from ODSP, for example. Do you want to comment on that just to try and aid in this transition?

Ms. Susan Seller: Yes. The federal government has introduced the RDSP, the registered disability savings plan, with that objective. As you mention, there have been legal measures that have been available as a matter of estate planning for some years. But they are restrictive; they are just working around the existing strictures of the program. I think our concern with reviewing and revitalizing ODSP is just ensuring that, quite apart from those tax planning opportunities, people aren't penalized for employment income, that they are assured a basic level of support. We want to encourage people to seek out employment opportunities. Everyone deserves that dignity of working for wage. The existing ODSP does not facilitate that in a meaningful way.

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Mr. Toby Barrett: So we have to make that less restrictive.

Ms. Susan Seller: Yes.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation.

ERINOAKKIDS CENTRE FOR TREATMENT AND DEVELOPMENT

The Vice-Chair (Mrs. Laura Albanese): We'll now call on ErinoakKids to come forward. Good afternoon. You will have 10 minutes for your presentation, and that will be followed by five minutes of questioning.

Ms. Judy Burns: Thank you very much. Good afternoon. My name is Judy Burns. I am the chair of the volunteer board of directors of ErinoakKids Centre for Treatment and Development. We're very pleased to be here today. Joining me is Dr. Gillian Hogan, who is the vice-president of medical services, and Pauline Eaton, who is the manager of our autism intervention services.

ErinoakKids has been an integral part of Ontario's health, education, developmental and social services systems for over 40 years. We work in collaboration with the province's hospitals, schools and community services and are funded by the Ministry of Children and Youth Services.

As the only children's treatment centre serving the regions of Peel, Halton and Dufferin counties, every year we treat approximately 8,000 children with physical, developmental and/or communication challenges: children with autism, children who are hard of hearing or deaf and children who are blind or have low vision. We also provide critical supports to their families. Our clients range in age from birth to 19 years old, and our goal is to help each and every one reach their potential, supported by a full continuum of integrated, family-centred services.

We're here today to bring to the forefront the urgent need for sustainable funding to the children's treatment sector. Let me stress that we recognize the financial challenges the government is facing. However, we also recognize that as the government prepares the next provincial budget, it will choose the services it deems to be priorities for investment.

Our clients are some of Ontario's most vulnerable children, and we want the government to make the needs of the children and youth we serve a priority. With the exception of autism services, over the past two years, our overall budget has been flatlined.

We are proud to note that with the funding enhancements we have been provided with for our clients with autism, we have been successful in meeting and exceeding government's targets for increased capacity. This has been accomplished by working to deliver services in the most efficient and cost-effective manner, as we take seriously our responsibility to spend taxpayers' dollars prudently.

While this is the good news, over the same two-year period, the needs of children with other types of disabilities we serve—children, for example, with cerebral palsy, spina bifida, muscular dystrophy and speech and language delays—continue unabated in a resource-constrained environment. Demand for our services continues to grow. Frustratingly, we are unable to keep pace with the needs of these children, children for whom early

intervention and treatment means the difference between a successful, independent life and one lived in isolation on the sidelines.

Let me tell you how early intervention can make a fundamental difference in a child's chances for success. A little boy, we'll call him Sam, was delivered early by emergency Caesarean section six and a half months into his mother's pregnancy. He spent the first 100 days of his life in a neonatal intensive care unit and required heart surgery. On admission to ErinoakKids, our developmental pediatrician confirmed a diagnosis of cerebral palsy. Sam could not get into a sitting position on his own, could not pick up objects and had no speech. Our therapy staff began working with Sam and his family. When he entered junior kindergarten last fall, he was able to walk with a walker and talk in sentences. He still could not use a spoon or hold a crayon, but through utilizing some special adaptive equipment, our therapists discovered that Sam can read and play advanced computer games. They are now starting to teach him to write. Sam will always have cerebral palsy, but his future looks bright. That's what therapy and hard work can accomplish: bright futures against the odds.

ErinoakKids provides services in two of only three areas in the province in which the child population is growing, namely the regions of Peel and Halton. As a result, demand for our services increases at a rate more than double that of the provincial average: 10% to 15% annually. Meeting that demand in a zero-based funding environment is an ongoing battle.

In an effort to maintain service levels, we have implemented a number of cost-cutting measures. These include:

—We have implemented alternate models of service that are less resource-intensive;

—We have increased the use of less costly therapy staff, including therapy assistants and other paraprofessionals;

—We have reduced travel costs by providing less in-home therapy;

—We have laid off staff;

—We have held vacant positions open; and

—We have imposed a wage freeze on our staff.

Despite these efforts, we continue to fall behind. The coping strategies we have used to date have a saturation point, which has now been reached. We have run out of band-aid solutions.

Since 2007, the average hours of direct service our clients receive has declined by 31%. Depending upon services required, average wait times range from six months to two years. We currently have more than 2,000 children on our wait-lists—an increase of 27% since 2007. The vast majority of these children have a physical or developmental disability or a significant speech-language delay that, if left untreated too long, will alter their ability to learn. Because government does not view us as part of the health care delivery system, our wait-lists have not comparatively been given the same priority or attention.

Having just completed budgetary planning for the next fiscal year, we are projecting a significant deficit. A deficit means that we will have to make further staff reductions. At ErinoakKids, this means that 750 fewer children will receive treatment this year. We need a modest investment to our base budget to maintain current levels of service and to begin to meet the growth needs of our community.

Let me hasten to add that the challenges that ErinoakKids faces are not unique to our centre. Children's treatment centres across the province are in the same boat. Through its provincial association, the CTC sector has requested an investment of $9 million for its 21 centres, including ErinoakKids. While we do not know what our share of such an investment might be, our specific need is for $3 million.

As I stated before, we understand the fiscal challenges that the current economic environment presents for government. However, if government chooses not to invest in our sector we will continue to see service levels decrease, the number of children waiting for services increase and the wait times get longer and longer. Most importantly, the harmful effects these factors will have on children with disabilities over the short, medium and long term are irreversible.

One of our graduates, who has a severe physical disability and received therapy services from ErinoakKids from the time he was a young child, sent us a note recently: "My therapy programs opened up my eyes to the world and made me realize that I am, after all, a human being ... living away from my family was something I could never have imagined ... with therapy, I learned how to live on my own and what I want. I am now in my final year of university and living in residence by myself."

We know that our children and young adults at ErinoakKids can attain success in life and reach their potential when they receive appropriate therapy and support. Each day, we see kids defy the odds, and increasingly, we find ourselves worrying about the children and youth of tomorrow who may not have the same opportunity to reach their potential if service levels at ErinoakKids continue to erode. We ask for your support for an investment in the health and welfare of children and youth with disabilities.

Thank you, and we look forward to your questions.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much. Mr. Prue?

Mr. Michael Prue: Yes, thank you. I'm trying to figure out how you are funded. Are you funded on a per case basis or are you funded on the basis of what the government thinks is the population of Halton, Peel and Dufferin?

Ms. Judy Burns: There's a variety of different ways that we're funded, actually. The way it actually happens is that there are sort of buckets of funding for each of the programs that we deliver. So there's a separate bucket of funding for autism and for each of the other services that

we deliver. I don't know; perhaps Pauline or Gillian, if you can maybe address that in a bit more detail.

Mr. Michael Prue: Perhaps I should explain why I'm asking the question. We had two groups yesterday, one dealing with Peel welfare and Peel agencies and the other from the regional council of Peel, both stating categorically that Peel is hugely underfunded because the government allocates money on the basis of a 10- or 15-year-old census of how many people live in Peel. I'm just wondering whether the same thing is affecting you.

Dr. Gillian Hogan: I can maybe take that. We know that the funding per capita for children in Peel—and particularly children in our sector, compared to other children's treatment centres—is actually the lowest in the province. Despite funding increases over the years for various portions of our programming, funding has not kept pace with the growth and the need for services in the region.

Mr. Michael Prue: And as you correctly point out, two regions, Peel and Halton, are the only ones that actually have an increase in the number of children in them. Every other jurisdiction literally—well, some of them maybe—

Dr. Gillian Hogan: There's one other, I think, that has it. Yes.

Mr. Michael Prue: Yes, there may be some of the far northern jurisdictions with First Nations communities that are experiencing child growth, but most of them are not.

Dr. Gillian Hogan: That's right.

Mr. Michael Prue: Yet we see a lot of problems in Peel. Should the government be changing the way they allocate funds, based on actual population, even if it has to be estimated, as opposed to whatever the census said it was 15 years ago?

Ms. Judy Burns: As a board—I would strongly advocate for looking at a different way to provide this funding, absolutely, as the population continues to grow—this is a very, very small segment of the population that we're talking about. First, it's children, and second, it's children with significant developmental, physical issues from birth. So, yes, we would advocate for that, absolutely.

Mr. Michael Prue: But I think it goes to everything. It goes to hospitals and schools and everything else.

Ms. Judy Burns: I would agree.

Mr. Michael Prue: When I hear about Peel, I hear about underfunding and underutilization of what is there.

Ms. Judy Burns: Yes. Absolutely.

Mr. Michael Prue: You require $3 million or you're going to have to do a whole bunch of things you don't want to do. How many staff have you had to lay off in the past?

Dr. Gillian Hogan: Do you want to take that?

Ms. Judy Burns: Well, no, why don't you take—

Dr. Gillian Hogan: In the last fiscal year, 35.

Mr. Michael Prue: And they've not been hired back?

Dr. Gillian Hogan: No. In addition to that, we had unfilled maternity positions which, in the event that we don't get increased funding this year, we will continue to have unfilled positions.

Mr. Michael Prue: You imposed a wage freeze. I would take it from that that this is not a unionized facility.

Dr. Gillian Hogan: That's right.

Mr. Michael Prue: Okay. Because if it was unionized, you'd have a very grave problem.

Dr. Gillian Hogan: Absolutely.

Mr. Michael Prue: Still time? Okay.

The Vice-Chair (Mrs. Laura Albanese): You have one minute.

Mr. Michael Prue: Good. Wow, lots of time today. Now, you've done other things as well. You've reduced travel costs; you've held vacant positions open. If you don't get the $3 million, how many staff are going to have to be let go? I know there are 750 children involved, but you didn't tell us the number of staff.

Dr. Gillian Hogan: It will be approximately—well, if we take the unfilled positions, we're looking at 10 to 12. Plus, the remainder of our mitigation plan looks at another five to seven professional staff plus some administrative and support staff. It would be a substantial hit in terms of the loss of highly trained professionals, who are hard to recruit, so those positions are not easily filled again if you lose highly trained staff.

Mr. Michael Prue: Okay. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation. We'll take a five-minute recess.

The committee recessed from 1502 to 1515.

SHARE THE ROAD CYCLING COALITION

The Vice-Chair (Mrs. Laura Albanese): We are reconvened, and we welcome Share the Road Cycling Coalition. Good afternoon. You will have 10 minutes for your presentation.

Ms. Eleanor McMahon: Thank you. I've got my watch off, Madam Vice-Chair, because I tend to be verbose, so I'll promise to try and keep to that.

The Vice-Chair (Mrs. Laura Albanese): Please identify yourself before you begin.

Ms. Eleanor McMahon: My name is Eleanor McMahon, and I'm the founder and president of the Share the Road Cycling Coalition. I want to thank the committee for inviting me. I see a few friendly faces around the table, people I know. I feel very welcome, and thank you.

If you'll indulge me with a little bit of levity, Madam Chair, I've got a few funny slides at the beginning because it's winter—as anyone who is outside these days will notice—just by way of proof that people do cycle in the winter in places like Copenhagen, where there are more bikes than people. Here's a picture of what they call the "snow slinger." I don't know if it's easy to see in your copy, but it's a gizmo that rids the cycling lanes of snow and debris during the wintertime. Of course, the second slide will show you what happens as a result. If

we build it, they will come, and if they plough it, we will use it. That's the message of those first two slides.

I'm going to breeze through much of this. Oh, my co-presenter has arrived. I'll introduce her while she's getting her coat off, if I could, Madam Chair. Diane Freeman, who is my co-presenter, is a councillor from the city of Waterloo and a member of the board of the Association of Municipalities of Ontario. Because of a lot of the work that we do with municipalities, I asked Diane if she would be here. She also chaired the Ontario Bike Summit host committee, which we hosted in the city of Waterloo in the fall. She brings to the table a wealth of knowledge and information and is happy to take questions from you. I'd like to welcome her. She just arrived from Waterloo. Thank you, Diane, for coming.

An overview, then, of who we are: I'm going to talk about the benefits of cycling, what the snapshot of the current picture in Ontario looks like and a suggestion that we'd like to leave with the committee, called the Ontario bicycling investment fund.

We had a tragic beginning to our work, members of the committee: I lost my husband. He was an OPP sergeant. He was riding his bike just north of our home in Milton, and he was killed in June 2006. Since that loss, I've spent the last couple of years working with a very dedicated group on my board to see what we could do in Ontario to change the laws to make our province safer for cycling, and that work has driven us to where we are today.

When we started out, of course, we wanted to spend some time doing research, and we have done that extensively in Canada. Certainly, I've travelled to virtually every province in this country. I've travelled to the United States and to Europe and attended many conferences, including a global cycling conference last year. We launched in 2008. I mentioned the Ontario Bike Summit; we held that earlier this fall, and I am going to talk about that. I have included a few slides for just a summary of some of our partners—you will recognize many of the logos in there—and, of course, our vision, which is to make Ontario the most bicycle-friendly place in the world.

Why cycling, then, and why am I here to talk about cycling? Because there's growing recognition that cycling really does tackle a number of these issues of interest and concern to all of us in society. This will not surprise you, but it's really the "how" that matters, and that's what I want to talk about next.

The next slide talks about the economic benefits of cycling not being fully understood. This is a bit of research from Cycling England. Cycling is not viewed as a mainstream mode of transportation. Why? Because those economic benefits are not fully understood. The consequence of that has been a systematic underinvestment. In fact, as you know, cycling investments have lagged corresponding investment in motorized transportation. Consequently, we have an unbikeable and unlikeable landscape.

The next page outlines a bit of the research and what we do know. While we need more investment in cycling-related research, we do know these things. Motorized transportation contributes to 20% of greenhouse gas emissions. The OECD report talked about, just in the metro Toronto area alone, congestion contributing to $3.3 billion in lost productivity. Of course, of great concern to everyone is the recent Stats Canada health measures survey: 61% of Canadians are overweight or obese; and a growing number of our children, 26% of them between the ages of six and 11, are overweight or obese. So again, it's a major area of interest and concern. The OECD report contributes to that.

1520

While I could talk a lot about what I've seen around the world, I really want to focus on the United States, and that's why I've spent the next couple of slides doing that. Wherever I travel and talk to Canadian politicians, they're often fond of saying—and it's quite true—that Canada's not going to become Holland tomorrow—or Copenhagen, for that matter, where there are more bikes than people, as I noted. Realistically speaking, if we even look at what the United States is doing, it's rather significant. The US is poised to invest $5 billion—that's with a "B"—in cycling-related infrastructure and investments in 2010.

I list a number of the acts in the United States, the legislative constructs that really have facilitated that investment. As you can see, this is just a very slim number of them. But in the US, they are way ahead of Canada, and certainly Ontario can learn from these examples in terms of their investments and the legislative pieces that they have. You'll see these kinds of legislative pieces in cycling-friendly jurisdictions right around the world.

I know this is a federal example, but individual states are taking action as well. I note that Texas has spent $250 million in investments in Safe Routes to School alone, so that's a notable example.

I make the argument on the next slide for the SAFETEA legislation, as they call it—the Safe, Accountable, Flexible, Efficient Transportation Equity Act—that's a long name. But what it really does is set out the changing transportation needs. Ontario needs legislation like this. Of course I will take this up with our minister, but certainly when we start to look at this legislation and the pieces that are working in the United States, it's quite compelling.

The quote from the US transportation secretary, Ray LaHood, I heard personally because I was at the National Bike Summit in Washington last year. I think it's an example of the kind of leadership that the United States is undertaking in terms of their infrastructure, education and awareness programs.

The next slide really speaks to a Canadian snapshot of what's happening in Quebec and BC, two notable provinces in Canada that have embraced cycling. In Quebec, the government launched the Route verte in 2007. If any of you haven't been there, I encourage you to do so. That

was a $200-million investment through municipalities. The return on investment for that has been $130 million a year. It's paid for itself already, as you can probably guess—a significant investment. We are interested in looking at a tourism initiative similar to this in Ontario, so stay tuned for that. It just shows you that in Quebec, there's $130 million per year on a $200-million investment—and Bike BC, which was a $31-million fund created by the province of British Columbia to which municipalities can apply. Those are significant examples.

On Ontario now, the government estimates: I just had a look at MTO, and really, the road user safety program alone—$105 million; policy and planning—$1.1 billion. Why do I point that out? Because active transportation is not quantified in terms of how much is spent. I can tell you that from the little bit I know, it's not significant in comparison to the amount that we spend in other areas of transportation. So there's a need for a more balanced approach, I think, in line with the province's climate change objectives. Of course, I mentioned the obesity and the healthy piece earlier. We think that would be absolutely in keeping with that.

Last September, when we had our bike summit and just prior to it, actually, we wanted to take an attitude survey. So we went out and did an omnibus poll and we said, "Why don't you cycle?" Ontarians told us, in the vast majority, that they don't because they're worried about their safety. That wouldn't surprise you, but it's important, we thought, to quantify. "Not enough bike routes" was the second most popular response. Of course, people rode bikes as children and they don't ride them now. Why is that? We thought that was compelling in terms of quantifying the attitudes toward cycling, and all of that is fixable. If people are too afraid, then through enhanced investments in infrastructure and education, we can close that gap.

We then drilled down to a larger survey. We asked organizations and stakeholders right across the province—some notable ones: AMO, the OPPI, our advocacy list, which is about 600, and we went to the Ontario Provincial Police and asked them for their provincial traffic enforcement list. We asked people to tell us what are the barriers, the opportunities, and, more specifically, what role should the provincial government play in terms of active transportation and, more pointedly, cycling in Ontario? Top-level concerns:

—lack of infrastructure funding;

—the perceived lack of safety is front and centre;

—correspondingly, a need for awareness and education; and

—not enough resources dedicated to policy and infrastructure etc.

If we group those together, it comes down to four broad-stroke areas for discussion. Funding for infrastructure was the top of those we polled, and Diane can actually speak to that in the municipality of Waterloo. They're doing great things for cycling there, but they certainly could use some more funding for infrastructure, education programs, public awareness and promotion, enhanced legislation and safety for cyclists. All of these are really what the priorities are. They represent the four priority action areas that we discussed extensively at the Ontario Bike Summit.

Interestingly, we had representatives of the four parties at that summit: we had a political panel. Elizabeth Witmer was there, and notably, Minister Bradley came. We also had Minister Milloy with us and a representative from the Green Party; the NDP were there as well. So really, what we talked about was these four priority action areas and what needs to be done.

We will soon release a green paper on active transportation which will get more to the point in terms of where the government should be focusing, but in the meantime, if we look at the outcome of where this is all headed—and because this is the finance and economic affairs committee, it's time we talked about money. So, getting down to it.

The Bicycle Trade Association of Canada—

The Vice-Chair (Mrs. Laura Albanese): If you could please be as concise as possible. Your time is up.

Ms. Eleanor McMahon: I will—okay. I'll just tell you what we're looking for, then.

Mr. Wayne Arthurs: If the deputation would like more time, we'll certainly cede question time so they can complete their presentation.

Ms. Eleanor McMahon: That's very kind. Thank you very much.

The Vice-Chair (Mrs. Laura Albanese): Go ahead.

Ms. Eleanor McMahon: The Bicycle Trade Association of Canada, which is the association that represents the bike dealers and the manufacturers in this country, does a survey of their members and correspondingly looked at what the application of the HST—heretofore it was not applied to bikes or bike parts and accessories, and it will be as of July. That provincial component represents $20 million. What we're asking you to do and we're asking the province to think about is an investment in what we're calling the Ontario bicycling investment fund of $20 million.

While BC and Quebec have invested significantly more, we think that this is a very good beginning. It would level the playing field in our country and it would certainly take us a long way towards reaping some of the benefits that I talked about earlier with respect to tourism, lower health costs and safer and more livable communities.

Our public policy work that we did and will release shortly in terms of the green paper will serve as a perfect road map, we think, and guidance to government and all parties in the Legislature on where these priorities should be for investment. Of course, we are continuing to work very closely with AMO and other partners.

An inspiring quote closes my presentation. It's from the deputy mayor of Seville at the European Parliament, when I attended the Brussels world cycling conference, and that really ends our presentation.

I think that's the fastest I've ever spoken in my life. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for that presentation.

Ms. Eleanor McMahon: Thank you for extending our time.

The Vice-Chair (Mrs. Laura Albanese): This round of questioning will go to Mr. Arthurs.

Mr. Wayne Arthurs: I appreciate the presentation. You noted three areas during the course of the presentation where funding could be applied or is being applied by other jurisdictions: infrastructure, safety and awareness.

Ms. Eleanor McMahon: Yes.

Mr. Wayne Arthurs: At the end of your presentation you made reference to that as well in the context of the $20 million, but I was listening as fast as I could. Do you want to take just a minute or so and speak to the three components? I think most traditionally, we probably think here about investment in cycling at this point, investment in infrastructure and all that kind of thing, but there's not enough thinking about the investment on the safety and awareness side. So in the bit of time that's left, if you could just note that particular area.

Ms. Eleanor McMahon: Sure. Thank you for the question. I think what I've learned in travelling internationally is that this is not a silver-bullet solution. Lines on the road are important, but equally important are safety, education and awareness.

When Paris launched their Vélib program, which is the bike-sharing program that's now going to be launched in Toronto this year—and Montreal has a very successful one—they found that they had to do a significant amount of marketing, education and awareness from the perspectives of both motorists and cyclists. I think we need those kinds of investments, and that's why, again, it's not just about lines on the road; it's about these other pieces that really create the kind of bicycling culture that's going to get people back on their bikes.

The data that we did showed that a significant number of Ontarians—I think it's 70%—actually own a bike, but it sits in the garage. If any of us do a tour of our neighbourhood we can see those bikes hanging up. Most people don't use them, which means their children aren't cycling, which means we have a greater contribution to obesity in kids. I think it's a crime—and I'm sure you'd all agree—that we have a growing epidemic of obesity in our kids because we haven't invested in cycling education like we used to in our school system, which is a topic for another day, but is another area where investment needs to be considered.

1530

I can't be as prescriptive as I'd like with the time that's allowed to talk to you about where those investments should occur. But I can tell you that I think, in keeping with where the province needs to go on a pan-Canadian basis and in keeping with our climate change objectives, even if we align ourselves with our partners to the south, they have made significant investments, as you can see, in cycling, and I think it's time we started to think about the same. I hope that helps.

Mr. Wayne Arthurs: How's our time, Chair?

The Vice-Chair (Mrs. Laura Albanese): Forty-five seconds.

Mr. Wayne Arthurs: In the 45 seconds, then, how do you see the delivery of safety or awareness programs? I'm not aware of a structure in place that would readily deliver to the population that kind of information—or is it there?

Interjection.

Ms. Eleanor McMahon: Diane is mentioning it, and she's right. There are two things that come to mind. We have significant public health infrastructure on a regional basis in this province that I think is a good place to begin. I think the education system is a good place to begin with our children. There is no question on the driver's exam right now for motorists learning to drive to do with raising awareness. We're working to get that updated. It's in the process of happening now.

I certainly think there's a tremendous amount of room for more education and awareness programs through existing forums, like the Ontario Association of Chiefs of Police. They do a tremendous amount of work in terms of drinking and driving.

If we look at successful models for change behaviour and education, like smoking cessation and the drinking-and-driving model, there are really great models there. We don't need to reinvent the wheel—pardon the pun.

The Vice-Chair (Mrs. Laura Albanese): Thank you. That's over a minute now.

Mr. Wayne Arthurs: Capitalize on existing—

Ms. Eleanor McMahon: Yes, capitalize on existing resources.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for your presentation and for appearing before our committee this afternoon.

Ms. Eleanor McMahon: We appreciate it. Thank you.

TORONTO BOARD OF TRADE

The Vice-Chair (Mrs. Laura Albanese): I now call on the Toronto Board of Trade to come forward. Good afternoon. You will have 10 minutes for your presentation. That will be followed by up to five minutes of questioning.

Ms. Carol Wilding: Great. Thank you. I think you've all got a copy—

The Vice-Chair (Mrs. Laura Albanese): If you could please identify yourself before you begin.

Ms. Carol Wilding: Yes. My name is Carol Wilding. I'm the president and CEO of the Toronto Board of Trade. With me today is our director of policy, Brian Zeiler-Kligman. Let me first say that we thank the committee for the opportunity to speak before you today.

Just to reiterate: The Toronto Board of Trade, which was founded in 1845, is Canada's largest local chamber of commerce, with more than 10,000 members and representing over 200,000 business professionals throughout the Toronto region.

We are about fuelling the economic, social and cultural vitality of the entire Toronto region, and we do that through fostering collaborations amongst stakeholders, being business, government, thought leaders and community builders, in order to elevate both the quality of life and global competitiveness of Canada's largest urban centre.

As everyone is well aware, the 2010 budget will likely prove to be a difficult and a challenging one. More so than the rest of the country, Ontario has felt and continues to feel the impact of the recent global recession.

Yet, like Canada as a whole and our largest trading partners, Ontario now appears to be on the road to economic recovery. Following four consecutive quarterly declines, the Ministry of Finance recently reported that the third quarter of 2009 finally saw some positive GDP growth.

But it is a fragile recovery. To strengthen it, policy needs to be focused on building on this positive momentum through strong private-sector growth and job creation.

At the same time, we face a historic budget deficit. To ensure we do not overly burden future generations of Ontarians, it's also important that this budget begin to lay the foundation for moving the province out of deficit—clearly a challenging balance to achieve.

In this context, the board, through our consultations with our members, believes the 2010 budget should focus on three goals: first, move forward with key commitments made in the 2009 budget that will help to improve Ontario's global competitiveness; second, build on last year's measures with a strategy for economic recovery that focuses on the greater Toronto region, Ontario's economic driver; and third, lay the foundation for returning Ontario's budget to balance and long-term sustainability.

I will address each of these in a bit more detail, and they're certainly found in much more detail in our submission.

To provide some context for our recommendations, the board regularly consults with its members to determine their policy priorities. As applicable to all levels of government, our members have identified four top advocacy priorities for 2010:

(1) regional transportation: getting newly funded transit projects built and moving forward on Metrolinx's investment strategy;

(2) innovation and access to capital: positioning the greater Toronto region as a leading centre for innovation by improving access to capital;

(3) livability and human capital: improving the integration of skilled immigrants into the economy and increasing investments in training and post-secondary education; and

(4) municipal performance: improving the performance of municipal governments.

The finance minister indicated last year, when he presented the 2009 budget, that the best thing the government can do to steer the province toward an economic recovery is to improve Ontario's business climate, and the board could not agree more with this perspective.

The 2009 budget contained numerous bold measures to improve Ontario's global competitiveness. These measures are ones for which the board has long advocated. We believe it is essential for the government to follow through on these commitments to help strengthen the nascent economic recovery.

Specifically, the board is a long-standing advocate of a harmonized sales tax. We applaud the government for committing to this important reform. It is one of the most important policy measures the province can take to strengthen Ontario's global competitiveness and potential for economic growth.

There are numerous groups, including economists, social activists and academics, that stand with the board in supporting the HST. The economic support for this move speaks for itself—namely, the removal of nearly $4.5 billion annually in hidden sales taxes, the reduction of compliance costs for business by an estimated $500 million annually, the creation of nearly 600,000 jobs over the next 10 years, an increase of $47 billion in business investment over the next 10 years, reduced prices for consumers and increased competitiveness for Ontario businesses.

The board also encourages the province to move forward with the planned reductions in corporate income tax rates as well as the plan to eliminate the small business surtax and the corporate tax rate for small businesses.

As a result of these measures, Ontario will move from having the third-highest general corporate tax rate amongst Canadian provinces in 2008 to having the second most competitive rate by 2014. These are significant reforms that position the Ontario economy for growth and prosperity into the future.

Of course, there are more than just taxation measures from the 2009 budget that the board wants to ensure get enacted. These include important infrastructure investments, particularly in our transit and transportation structure; investments in education and training, such as the plan to launch all-day kindergarten this September; investments in the green economy, such as the emerging technologies fund; earmarking funds for the purchase of emerging green technologies; and the measures taken to help our most vulnerable citizens.

As Ontario's economic driver, the economic development of the greater Toronto region is critical to the growth and success of Ontario as a whole. For Toronto's economy to fully take root, it will need to be led by growth in the greater Toronto region. For this reason, the board recommends that the 2010 budget contain a number of measures to strengthen the greater Toronto region's economy.

Investing in the greater Toronto region's transportation system is the single most important measure that can be taken to boost the GTR's economic development. Simply put, Metrolinx's regional transportation plan must

get built for Toronto region's future growth and prosperity.

Metrolinx may not be legally obligated to present its investment strategy until June 2013, but that does not mean that the province, through Metrolinx, should be delaying the important public debate that needs to take place on how we are going to fund the plan.

The board believes that Metrolinx's investment strategy must also be in a position to be implemented by 2013. Around the world, such as in Stockholm and the state of Oregon, pilot projects and voluntary programs have been undertaken to gauge whether particular initiatives are appropriate in their particular jurisdiction. The board believes a similar approach should be pursued by Metrolinx.

In addition, the lack of a critical mass of capital available to support new businesses at the early stages of development and throughout all stages of growth is hindering our ability to create high-skilled jobs and globally competitive firms. This particular issue has risen to prominence with the global credit crunch in 2008-09 but has been a long-standing one for Ontario companies. Solutions need to be found, particularly for small and medium-sized businesses.

In our submission, the board has provided some further guidance on this topic. As a start, the board encourages the province to look at Israel's success in growing its venture capital industry. In this context, the Green Energy Act provides a promising foundation on which the province can build.

There's not enough time to outline the various additional measures that the board recommends that the province pursue in the 2010 budget, but they include:

—implementing key recommendations from the Greater Toronto Region Economic Summit, such as a single economic marketing agency for the greater Toronto region that would attract funding from all three levels of government;

—investing in post-secondary education;

—addressing competitiveness and inequities in business property taxation.

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Finally, budget 2010 needs to begin to lay out how Ontario will return to sustainable, balanced budgets. In consultations with our members, the board believes the two primary expenditure drivers in the Ontario budget—health care, and public sector wages and benefits—need to be part of this equation.

Our health care system is a cherished asset and a traditional source of competitive advantage, but it is on pace to consume more than 50% of available revenues within the next five years. That level of spending will crowd out our ability to invest in other priorities like education and infrastructure expansion. To help constrain our health care costs, the board encourages the province to pursue greater preventive health care strategies. These have been shown to improve health outcomes for individuals and to reduce costs overall. At the same time, the province needs to review the health care system in dialogue with the public on how to ensure high-quality, yet affordable, care.

With respect to public sector wages and benefits, the board urges the province to examine private sector trends when negotiating and setting pay rates and increases for public sector jobs.

In summary, budget 2010 needs to strike a balance between measures to strengthen the economic recovery and reforms to bring long-term sustainability to the province's finances. As always, the board of trade looks forward to working with the province towards our shared goal of a stronger, more prosperous and more competitive Toronto and Ontario. Thank you.

The Vice-Chair (Mrs. Laura Albanese): Thank you for your presentation. This will be turned over to Mr. Shurman for questions.

Mr. Peter Shurman: It's good to see you again, Ms. Wilding. Sorry, sir, I didn't get your name.

Mr. Brian Zeiler-Kligman: Brian Zeiler-Kligman.

Mr. Peter Shurman: It's good to see you too. Good presentation. I'd like to focus on a couple of your key points and get you to expand a little bit on them. We've been at this for eight days, and we've had a steady stream of people in here. A lot of it's repetitive; a lot of it's rather interesting. Organized labour, very particularly, and social groups are very strong on job creation, much like you, but they have a different view of how you do it: Very particularly, forget about deficit reduction; it's last. Let's spend as much money as we can to put job creation first. In fact, the Ontario Federation of Labour—you may have noticed the advertising campaign going lately: a lot of radio commercials, television commercials saying "jobs, jobs, jobs; tell McGuinty it's jobs." So I think we can agree that we need jobs in the province. The question is how we do it. Let me get your reaction.

Ms. Carol Wilding: I think we've outlined a couple of pieces in here. I would say jobs at any cost is not something that the board of trade or our members would certainly support. There have to be the right jobs in particular sectors at affordable prices. I think on the green piece, the green economy, we've talked about some of the elements there and some opportunities to begin to advance on that, to increase our competitiveness. Those are particular areas. Even within the HST, as we move forward on that, in terms of what that will allow around investments and unfolding, that's another way in which we'll look at some of the job creation pieces.

Metrolinx, in particular, moving forward on a lot of those—they're going to both create short-term and create the right environment for longer term. So some of them are direct, some of them are more indirect. But those would be, I think, the key elements that are reflected in here, both implicit and explicit, from a job creation standpoint.

Mr. Peter Shurman: On the Metrolinx piece, and I see how strong you are on that, it's interesting to watch the current mayoralty campaign in the city of Toronto, where there are proponents of pursuing a strong Transit City strategy, if I can use Mayor Miller's term, and

others who are saying, "Whoa, let's put the brakes on and see what we can do." Why is this so primary to you? It sounds to me like you're ready to see us put a fair amount of money in it right now, in budget 2010.

Ms. Carol Wilding: No secret, the board of trade has been a long and loud supporter of Metrolinx and a regional transportation plan. It's a regional issue, it needs a regional solution, and we think Metrolinx is the right venue for that. So Transit City is within the context of Metrolinx, in which we'd look at it.

If you look at any economy and its foundation, it's got to be on the basis of a strong foundational infrastructure network. Toronto doesn't have it. We've been suffering from that for a long period of time. We need to advance on it. I think the case is made in terms of what congestion costs us and costs our economy. There are varying numbers out there and we've seen recent information even from OECD. So I think the case is made very strongly. I probably don't need to make it here for you. It's a matter of getting on with it. That is why, from our perspective, advancing the discussion in terms of the $40-billion gap that needs to be funded is a critical discussion that we'd like to accelerate and, if possible, begin the discussion, at a minimum, now and certainly accelerate the presentation of that strategy before 2013.

Mr. Peter Shurman: You've also talked about access to capital, and you're not the first organization to do that. We had the venture capital people in here the other day. They tell us that in the last year, Ontario has dropped by 50% over the prior year the use of venture capital coming from outside sources, people willing to invest here versus, say, Quebec, where there was a net gain—small, but a net gain. The expenditures in the Ontario venture capital fund really cover nothing more than set-up and legal fees. So we're wanting there. How can we address this issue? What would you instruct government on, with regard to getting people into the region who have venture capital and want to invest?

Ms. Carol Wilding: In the last year we spent quite a bit of time and have put together a task force. Outside of here, I would certainly welcome the opportunity to share more in depth and work with the province on that. I think we're in the beginning of looking at some of their recommendations.

From a government perspective, certainly picking the winners or losers is not the business that you want to be in. That risk should be more in the private sector.

In particular, our submission speaks to a piece out of Israel, in terms of a venture capital model. We've done a deeper dive there on some of the public policy elements that are around that. Brian can tell you a little bit more about that now, because he in particular has done a lot of the work on it. That's one example that has surfaced from our task force, in terms of that.

It is a critical issue. We hear this continually from our members, particularly small and medium-sized, who are going elsewhere to get that money, and they're getting returns or funding 10 times what they're going—

Mr. Peter Shurman: We heard it an hour ago from a fabulous technical company.

Ms. Carol Wilding: We don't need to tell you the problem. This is one particular case study that we've done that's in here—

The Vice-Chair (Mrs. Laura Albanese): I'm sorry, but the time has expired, so there won't be any time for that, unfortunately.

Mr. Peter Shurman: Thank you very much.

Ms. Carol Wilding: We'll come back.

The Vice-Chair (Mrs. Laura Albanese): Thank you.

COLLEGES ONTARIO

The Vice-Chair (Mrs. Laura Albanese): I now call on Colleges Ontario to come forward for their presentation. You will have 10 minutes for your presentation and that will be followed by up to five minutes of questioning.

Ms. Linda Franklin: Thank you very much. I'm Linda Franklin. With me is Marsha Josephs from Colleges Ontario. We are the advocacy and trade association for the 24 public colleges.

I know about five colleges have spoken to you folks already. Hopefully, we will try not to be terribly repetitive and to provide you with some overarching context for some of their concerns and ours.

We know folks have a real challenge in this budget. It's probably one of the most challenging budgets we've faced as a province, and you will have lots of competing interests around the budget dollars.

We, of course, are here to advocate that you retain a long-held focus on post-secondary education, and colleges in particular. If we're asked why, I think it's easy. In our view, and I think in the view of more and more economists and leaders, higher education is really the only sustained route to prosperity for any economy, and it's certainly true in Ontario.

A lot of you, I know, are highly engaged with your local colleges, so you know our numbers as well as we do. Ninety per cent of college graduates find jobs six months after graduation; 93% of employers are pleased with their grads. Even in a recession—in the last two recessions—those job numbers for students graduating from colleges stay in the mid- to high 80s. So even in bad economic times we're able to find students jobs.

Earlier this afternoon I was at the release of Dr. Rick Miner's report, People Without Jobs, Jobs Without People. It was highlighted in the Globe and Mail today. Some of you were able to attend that session with us. I think that report for the first time puts a very clear spotlight on the ongoing need to invest in post-secondary education. I'd recommend it to any of you who are able to get a hold of it. It's on our website.

For the first time it puts together two trends that we've talked about for a very long time: the demographics that aren't with us, going forward—yes, we have a need to create jobs today, but down the road we will have a crying need for trained people to take the jobs that are

available. It puts it together with the challenge we face from the fact that we have a growing number of people—or will have, over the years—who don't have the education and training they need to take up these jobs, because they require higher and higher levels of skills.

The Kitchener-Waterloo area is a good microcosm of the start of that right now, where you have lots and lots of high-tech, high-skilled jobs available and in some cases, folks who don't have the training in their local communities to take up those jobs. That is going to be the future of our province in the coming years unless we have a really clear and compelling focus on post-secondary education and training.

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The report says that over the next few years, we will need about 75% of the population trained past high school with some post-secondary credential. But if our current trends continue, only 64% of our Ontario workforce will have those kinds of credentials. It means that beyond what the normal unemployment level looks like in the province, about another 700,000 people will be unemployed—well over one million people who are not only unemployed, they will be unemployable because they will not have the skills they need to take up jobs in the knowledge economy. Against that backdrop, we'll have about one million jobs going begging because we don't have qualified workers to take them up. So the unemployment crisis in the years ahead will be far more severe than our challenges right now, during the recession, if our current trends continue.

We believe that post-secondary education—and colleges in particular—is critical to helping Ontarians get the training and retraining they need, because part of this is about the current workforce and retraining those folks for new jobs as they come up. We live in a new world, a world that is demanding higher and higher levels of expertise and skills.

The good news, I think, coming out of today and generally, is that Ontario is already ahead of the game. We've invested a lot in post-secondary education. We've made it a focus for government. Because of that, we're in a leadership position, but the rest of the world is running to catch up with us. Folks, just in the last few weeks, we've had a delegation from the Tanzanian government here who asked Canadian college leaders to come and set up community colleges in Tanzania. One of the reasons for that is that they just recently had an opportunity where Intel came to Tanzania looking to set up shop there, looking to build factories there, and at the end of the day withdrew because they knew they couldn't produce the skilled workers they needed to work in that factory. So the rest of the world gets this now, where they haven't in a long time. They realize that there are labour shortages coming where there have always been surpluses and they are running to catch up with Ontario. We need to keep that leadership position and we need to keep moving forward and ahead.

Colleges have the vision for higher education and I think the timing is right. We're at the end of the Reaching Higher program; we're looking at what the next vision might look like. We think it involves a number of things.

Increased mobility for our students through credit transfer and credential recognition: Our biggest growth area in community colleges is from university grads coming to college for applied training. There's a lot of mobility back and forth, but in Ontario today, it is mobility that takes too long, is too difficult, puts many students off and sends a whole lot of our young people to Australia and the US looking to finish their credentials. That shouldn't be happening.

We need better access to post-secondary education. We have done a good job on access for the last few years, but that need continues. We still have lots of under-represented populations that will, again, be permanently unemployable unless we find new ways to get them into post-secondary. Attach to that better retention outcomes: It's great to get them into post-secondary, but if we can't graduate these students, we haven't really done them much of a service.

All of those things need to be done. In addition, looking at our labour market needs, we need to think long and hard about aligning our post-secondary training far better with the needs of the transforming economy than we have in the past. All of these outcomes are achievable, but it needs a lot of focus and a lot of vision.

I want to talk to you for a moment about the importance of the credit transfer and credential recognition piece. I'm sure you've all heard from students and parents in your local communities—some of you may even have had your own experience with this—where students are forced to repeat courses that they've already completed because there isn't a good credit transfer system between colleges and universities and, in some cases, between universities and universities and colleges and colleges. It puts a financial strain on students, their parents and the system.

We have just released a fairly major report that basically says that if you had a really great, robust credit transfer system in Ontario the way we have in British Columbia, in California, in Florida or in other places, we would save students and their families between $26,000 and $50,000 in the cost of their education, depending on whether or not they live at home or in residence. Ultimately, you would drive GDP $100 million higher and growing because students would be out of school faster, contributing to the workforce and paying taxes earlier. So that credential recognition piece is critical to us.

We are seeing growing demand for college educations. College enrolment was up 7% in 2009. It was up 5.5% the year before. The latest update, today's update, of students who are applying to college for the coming year in September shows that for students coming directly from high school, their application levels are up 8%; non-direct applicants—so those who have been in the workforce and are coming back for more education—are up 20%. These are huge numbers in our system—unprecedented large numbers. We think the numbers will

change a bit over the course of the next few months, but it's a trend that we think will continue for the next several years.

We all expect enrolments in post-secondary education to increase during a recession. I think that's intuitive, but the past few recessions have taught us that what tends to happen is, these numbers shoot up during the recession but when the recession is over, they level out at the higher rate. So these numbers we're seeing in community colleges today will be there whatever happens over the next few years. And we really need to embrace that and support it, because that, ultimately, is the solution to the labour-market challenges that Dr. Miner is reporting—more students in post-secondary, and better graduation outcomes.

We also need to support the local nature of our community colleges. Another report, just recently done by Alan King at Queen's, shows us that, unlike university students, college students are very tied to their local communities. They often won't chase the program of choice across Ontario; they will apply to a whole lot of different programs in their local college so that they can be educated close to home. This is a very compelling argument for local resourcing of community colleges, because otherwise lots of underrepresented groups, in particular from all sorts of socio-economic backgrounds, wouldn't have the chance of higher education because they need it close to home.

The Vice-Chair (Mrs. Laura Albanese): One minute left.

Ms. Linda Franklin: Thank you.

Mr. Michael Prue: I will cede my time, if necessary.

The Vice-Chair (Mrs. Laura Albanese): Okay.

Ms. Linda Franklin: Thanks so much.

In last year's provincial budget, growth in the college system was covered in end-of-year money. It was critical; it was very welcome, but our biggest challenge is that if we keep building growth into end-of-year money and not into our base budgets, eventually we will be trying to fund student growth with—the kind of student enrolment numbers we have now, we'll be working with about $1,800 a student instead of about $4,000 a student. The economics of that won't work, and the only real control that colleges have over their budgets, at the end of the day, is through managing their growth. So, either we find a way to cover the cost of growth so that students can get engaged more and more or we won't be able to keep accepting them, which would mean, tragically, that an awful lot of qualified students won't get access to post-secondary education because we won't be able to afford to take them in.

We know that there are lots of fiscal challenges facing the province, and we are prepared to work hard as colleges to find savings, to eat inflation, but the growth piece we need help with, because that's something we cannot manage. So we're asking for $163 million to address enrolment pressures. The only other thing we're asking for in our budget submission is about $12 million to support our e-learning network. We think this is the other big way to help students in the future. That e-learning network is growing like Topsy. It's doing brilliantly and it's finding more and more ways for colleges to work efficiently together to deliver education.

Those are our key requests of this budget cycle. We, also, in our funding submission, have a whole lot of ideas for you about how to save money because we think it's critical to come to the table with an offer of some savings; so we've done that. I recommend to you that paper, which presents it in detail. We think these are strategic and important investments. At the end of our submission it gives you a whole litany of the wonderful things that will result if we just keep investing in post-secondary education. The bottom line is that by investing in post-secondary education today we have the best chance we can have of producing a robust economy that is welcoming of everybody who wants work and has the skills to take it on. Ultimately, that is the best way, in our view, to drive long-term prosperity and to make sure that our economy produces good jobs for people who are well-qualified to take them. Thank you very much for your time.

The Vice-Chair (Mrs. Laura Albanese): Thank you very much for appearing before the committee this afternoon. Mr. Prue, there are about three minutes for questions.

Mr. Michael Prue: Three minutes, okay. From listening to you, I think the number one problem is that you have not been able to manage growth.

Ms. Linda Franklin: Right.

Mr. Michael Prue: And that what you really need is a commitment from the government not just to increase the funds this year, but a long-term commitment to say, "As the colleges continue to grow, as the population grows, as the enrolment grows, so will the funding that goes with it."

Ms. Linda Franklin: That's a much better summary than mine.

Mr. Michael Prue: Okay. For this year, it's going to cost $163 million?

Ms. Linda Franklin: Correct.

Mr. Michael Prue: What percentage is that of the total college budget?

Ms. Linda Franklin: I don't know the answer to that. I can go back and tell you, though.

Mr. Michael Prue: The reason I'm asking that is, I haven't heard anybody talk to the colleges or universities, but I have heard and I have read in the newspapers what the government is saying to hospitals. They're telling them 0%, 1% or 2%. Have they told you anything like that?

Ms. Linda Franklin: We haven't heard yet any number from the government.

Mr. Michael Prue: I just want to make sure that $163 million—what percentage that is. Because if that's 5%—

Ms. Linda Franklin: I can promise you, it's well more than 2%.

Mr. Michael Prue: It's well more than 2%. So in order for this to work, you need well more than 2%, which is the maximum that hospitals are going to get.

Ms. Linda Franklin: Right.

Mr. Michael Prue: The second thing: You talked about making sure that students can move seamlessly from college to university or vice versa. British Columbia has done this. American jurisdictions have done this. How much, if any, would this cost the government? I don't think this would cost a dime.

Ms. Linda Franklin: No. There would be some money probably in the initial curriculum development, jointly, and in some of those things, but it is a very low-cost solution. You're right: Over time, it virtually costs nothing as the system unfolds. In fact, it would cause huge cost savings with an initial investment.

Mr. Michael Prue: I have spoken to many college students who go on to university who are very frustrated. Literally, some of them have to start over again.

Ms. Linda Franklin: Absolutely.

Mr. Michael Prue: This would alleviate much of that, I would take it. At least some of the curriculum that they studied would be valuable.

Ms. Linda Franklin: Absolutely. The other thing it would stop—right now, as I say, we send a lot of our students to Australia and the US. Frankly, some of the time, we don't get them back.

Mr. Michael Prue: So they go where the curriculum is recognized and where what they've studied is recognized. Okay. I didn't realize they didn't come back, but I guess that's to be understood.

Ms. Linda Franklin: You go to Australia, you meet somebody that you marry, and you're done.

Mr. Michael Prue: Okay. I don't think that had much to do with the school.

The Vice-Chair (Mrs. Laura Albanese): Thirty seconds.

Mr. Michael Prue: Is that it?

The Vice-Chair (Mrs. Laura Albanese): No, 30 seconds.

Mr. Michael Prue: Okay. You also said that this puts a financial strain on students, their parents and the system. We could shorten up the school and the expectation and put them back to work sooner. I take it that's the—

Ms. Linda Franklin: Absolutely. That's the message.

Mr. Michael Prue: That's the message. Okay, thank you very much.

The Vice-Chair (Mrs. Laura Albanese): And thank you very much for your presentation.

Ms. Linda Franklin: Thank you.

Mr. John O'Toole: Point of order.

The Vice-Chair (Mrs. Laura Albanese): Yes, Mr. O'Toole?

Mr. John O'Toole: I'm wondering if you mentioned anything—or was it mentioned? The success of the Second Career, and it's over-subscribed—was anything said about that? I know it's one of the problems in our constituency offices.

The Vice-Chair (Mrs. Laura Albanese): It has been mentioned in different presentations.

Mr. John O'Toole: Okay. As long as I got it on the record, because I feel that responsibility.

The Vice-Chair (Mrs. Laura Albanese): No problem.

Thank you very much. We are adjourned.

The committee adjourned at 1602.

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Pre-budget consultations

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Clerk: William Short

Assemblée législative
de l'Ontario

Première session, 39e législature

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

Thursday 25 February 2010

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Jeudi 25 février 2010

The committee met at 0900 in room 151.

APPOINTMENT OF SUBCOMMITTEE

The Chair (Mr. Pat Hoy): The Standing Committee on Finance and Economic Affairs will now come to order. The first order of business this morning is the appointment of the subcommittee. Mr. Arthurs.

Mr. Wayne Arthurs: Chair, I move that the membership in the subcommittee on committee business be amended by Mr. Tabuns replacing Mr. Prue, and Mr. Miller of Parry Sound–Muskoka replacing Mr. Barrett.

The Chair (Mr. Pat Hoy): All in favour? Carried.

PRE-BUDGET CONSULTATIONS

The Chair (Mr. Pat Hoy): I would ask the committee to just listen here for my opening remarks. We are meeting today for report writing. I propose that the first order of business would be to ask if there is a general satisfaction with the wording in the pre-budget consultation draft report. At the second stage of report writing, there will be motions and recommendations to be moved, which we will go to shortly.

Is there general satisfaction with the report?

Mr. Wayne Arthurs: Agreed.

The Chair (Mr. Pat Hoy): Mr. Miller.

Mr. Norm Miller: If I may, I just compliment Mr. Larry Johnston for the fine job and the hard work he put in on the actual pre-budget consultations—as always, doing an excellent job.

Mr. Dave Levac: Hear, hear. I second that.

The Chair (Mr. Pat Hoy): Thank you. Any other comment? Okay, I will move on.

The first stage on the draft report: Just on the draft report itself that is being prepared for us, is there any concern about the wording in any particular section? And is there agreement that we adopt the draft report as written, if there is no concern about the wording in the draft report? It's agreed.

Now I'll move to the motions. I've asked the clerk to compile a numbered package of all the motions and recommendations submitted by all the parties. Each person should have those in front of you. The motions are all numbered and appear in the order that the ministries are dealt with in the report.

In the past, we have agreed, as a committee, to refer to the motions as motions 1, 2, 3 etc., but I will try to indicate, as we move through them, whose name they stand in. If that's agreeable, we can do that. Do we agree? Agreed.

Interjection.

The Chair (Mr. Pat Hoy): Yes, and I would say which party is presenting them.

I would remind the committee members that according to the standing orders, preambles are not allowed as part of the motion. Any "whereas" clauses will therefore not form part of the motion recorded in the official minutes.

We'll turn to the first motion, on page 1, to be moved by the PC party.

Mr. Norm Miller: Excuse me, Chair, can you clarify that? So is the motion, as written—for example, the first motion starts out with a "whereas." Is that the way it will be—

The Chair (Mr. Pat Hoy): No. The only part that would appear would be the final statement, not the "whereas."

Mr. Norm Miller: So just the line "The Standing Committee"—

The Chair (Mr. Pat Hoy): But you can read the "whereas."

Mr. Norm Miller: Okay. So both "whereases" don't appear in the final—

The Chair (Mr. Pat Hoy): No, they don't.

Mr. Norm Miller: Just "The Standing Committee"—

The Chair (Mr. Pat Hoy): They never have.

Mr. Norm Miller: Okay. Thank you.

The Chair (Mr. Pat Hoy): Is everyone clear on that? So then we'll start with the first one, which is a PC motion. Mr. Barrett will read it.

Mr. Toby Barrett: I've put forward several motions under the title "Agribusiness."

Whereas the Ontario government has completed a successful three-year risk management program for the grain and oilseeds sector; and

Whereas farm organizations have now created a next-generation risk management program in collaboration with pork, beef, veal, sheep and horticultural producers as well as the grain and oilseeds sector;

Therefore the Standing Committee on Finance and Economic Affairs recommends the Ontario government move forward with a voluntary, premium-based risk

management program based on cost of production, to be made available to non-supply managed agriculture.

The Chair (Mr. Pat Hoy): Comment?

Mr. Toby Barrett: The committee will understand from the two "whereases" the background and the reasons for this. I'm not sure how many committee members attend farm meetings this time of year, but this has come up at meetings I've attended. Whether it's hort or beef or pork or, as I recall, the Ontario Federation of Agriculture meetings, the number one issue is the need for a risk management program, a program that this government has proven was a successful pilot in the last three years for grain and oilseeds. That's cash crop. That's corn, soybeans and primarily winter wheat in Ontario.

I think many will know that farmers, particularly beef and hog farmers, have been having a very tough time. They've been facing negative margins, as were the corn and soybean farmers a number of years ago. I'll leave it at that, Chair.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: First, let me acknowledge the support for the risk management program that has been in place, and I think I would generalize support around the table for risk management strategies as a way to deal with the sector.

Having said that, we're not in a position to be able to support this particular motion. It's our understanding that the federal government has laid out the next steps for a national risk management review. We certainly look forward as a province to working with them, with the key stakeholders. We're committed to working with those industry partners and the federal government to ensure that we get the right programs for Ontario, but we want to await that work to go forward first.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question. All in favour?

Mr. Toby Barrett: Recorded vote.

Ayes

Barrett, Norm Miller, Tabuns.

Nays

Albanese, Arthurs, Levac, Mauro, Sousa.

The Chair (Mr. Pat Hoy): The motion is lost.

Now we'll move to number 2 in your package, which is also a PC motion.

Mr. Toby Barrett: Again, an agribusiness motion:

Whereas Agriculture and Agri-Food Canada's total Ontario farm income forecast for 2009 was a \$143.5-million loss compared to a \$1.25-billion profit for all Canadian farms; and

Whereas Ontario's local food supply is threatened, as farmers cannot stay in business with negative margins for long and many are idling their farms or leaving farming altogether;

Therefore the Standing Committee on Finance and Economic Affairs recommends the Ontario government correct the flaws with respect to reference margins contained in the current Growing Forward suite of joint federal-provincial agriculture programs, including AgriStability.

The Chair (Mr. Pat Hoy): Comment?

Mr. Toby Barrett: Again, this has certainly been alluded to by Ontario's Minister of Agriculture. The programs that are in place now, and many of them originally driven by the federal government, are not working for farmers. They're not flexible or bankable. As we know, the federal government indicated—this goes back probably at least three years—they were not in a position to fund companion programs in other provinces. So there's some work that needs to be done here.

The Chair (Mr. Pat Hoy): Mr. Arthurs.

Mr. Wayne Arthurs: Again, I think it's reflective of the first motion, in part. We certainly understand the importance of risk management for the industry in a broad way. This does refer to the sort of joint federal-provincial agriculture programs. The federal government has laid out some steps for a national review, which will include stakeholders. The province certainly looks forward to being an active participant in that as early as this spring, and we remain committed to working with those partners and the federal government to get it right for the industry here in Ontario. But unfortunately, we can't support the motion as presented.

The Chair (Mr. Pat Hoy): Other comment? Hearing none, I'll put the question—

Mr. Toby Barrett: Recorded vote.

Ayes

Barrett, Norm Miller, Tabuns.

Nays

Albanese, Arthurs, Levac, Mauro, Sousa.

The Chair (Mr. Pat Hoy): The motion is lost.

Now we'll move to number 3 in your package, and that also is a PC motion. Mr. Miller.

0910

Mr. Norm Miller: I'll read the motion to begin with. It was put together by Mr. Barrett who's keenly interested in agriculture issues.

Whereas over the past five fiscal years, compensation paid to farmers for livestock and poultry damage, plus bear damage to bee hives, has increased dramatically from \$594,511 in fiscal 2004-05 to \$1,353,625 in fiscal 2008-09, more than doubling over five years; therefore

The Standing Committee on Finance and Economic Affairs recommends the Ontario government update the amounts of compensation payable for predator kills to reflect current market values for livestock, poultry and bee hives; that the Livestock, Poultry and Honey Bee Protection Act be modernized to address losses from a

broader range of predators as well as losses to a broader range of farmed livestock and poultry; and that the government of Ontario develop a program to compensate Ontario farmers for crop losses attributed to wildlife.

Mr. Chair, I believe it was the Ontario Federation of Agriculture that pointed out that predation has been an increasing problem for farmers across the province and that the act dealing with that hasn't been changed—the compensation hasn't been changed in 25 years. I know I attended the local Ontario Cattlemen's Association meeting in my riding of Parry Sound–Muskoka in Magnetawan. To my surprise, the number one issue at that meeting was predation, in particular the effect of wolves around Algonquin park. You may recall that about seven years ago, I believe, the Ontario government banned hunting of wolves in all the counties around Algonquin park, so they're seeing a dramatic increase in predation. It's of concern to my local farmers, and obviously across the province it is too. That's the reason for this motion.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: We appreciate the motions brought forward and the acknowledgement that the government has extended dramatic increases from 2004-05 from some $594,000, as articulated in the motion, to some $1,353,000 in the 2008-09 year. The commitment to this need that's out there is clear, but those are dramatic increases. The damage to crops is insured peril under the production insurance program, and certainly we would encourage producers to participate in production insurance as a crop strategy. Unfortunately, the government is not in the position to support this motion.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Toby Barrett: Just a further comment to Mr. Miller, and Mr. Miller would know this as well, with respect to bear damage and threat to livestock. I know at the London hearings, the Ontario Federation of Agriculture called for the Ontario government to implement a much better management system for the bear population in Ontario, additional hunting opportunities, for example. They called for an early-season bear hunt to help lower the level of crop damage on farms and we know that story also, to better enable people in Ontario to avoid unnecessary conflict with bear.

They also recommended a government study with respect to elk with the view of, down the road, looking toward a controlled hunt for the same reasons as bear. That was coming from the farm organization in London, as I recall.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question.

Mr. Norm Miller: Recorded vote, please.

The Chair (Mr. Pat Hoy): A recorded vote is requested.

Ayes

Barrett, Norm Miller, Tabuns.

Nays

Albanese, Arthurs, Levac, Sousa.

The Chair (Mr. Pat Hoy): The motion is lost.

Number 4 is also a PC motion, Mr. Barrett.

Mr. Toby Barrett: Yes, Chair, also an agri-business motion:

Whereas farmers provide benefits to the public in providing food safety systems, environmental stewardship initiatives and preservation of the rural landscape; and whereas Ontarians are demanding more of these public goods and the Ontario government is responding with regulations governing land use to preserve species and biodiversity, greenhouse gas mitigation and source water protection; therefore the Standing Committee on Finance and Economic Affairs recommends the Ontario government develop market mechanisms to allow farmers to be compensated for the public goods and services they provide to society.

One example of this is the ALUS program, which stands for alternate land use services. It's a program that was developed in the duck-hunting marshes in Manitoba. It has been adopted by many farm, agricultural and hunting organizations in Ontario—again, very simply a modicum of compensation for farmers and landowners perhaps to consider not putting in, say, an additional 16 rows of corn; to put in a windbreak rather than disking under cattails in the spring, for example; when you're working up ground, rather than working up every single corner of the field, to leave a corner for planting trees or tallgrass prairie or wildlife habitat.

Again, we in Ontario, as a society, wish to see wildlife and plant diversity. Farmers, certainly in southern Ontario, own most of the land, most of the acreage under this concept of some kind of conservation grant or conservation, and I know money has been flowing, but more can be done in this area to better bring back much of agricultural Ontario or parts of agricultural Ontario to its natural state.

The Chair (Mr. Pat Hoy): Thank you. Any other comment?

Mr. Wayne Arthurs: Again, I appreciate the motion that has been brought forward.

Certainly the government is committed to measures to protect endangered species, with legislation accordingly. We're committed, obviously, to source water protection and its importance.

I think, though, there is in effect a bit of a strategy already in place, and that's the dramatic reduction in assessment for land use for agricultural purposes from the 100% to one quarter of that. It broadly recognizes the goods and services provided to society at large that the industry provides, both from the production of foods in a variety of ways, but also through the protection of lands. So I suggest we already have, in part, a mechanism in place for that purpose, and the government will not be supporting the motion.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question.

Mr. Toby Barrett: Recorded vote, please.

The Chair (Mr. Pat Hoy): A recorded vote has been requested.

Ayes

Barrett, Norm Miller.

Nays

Albanese, Arthurs, Levac, Mauro, Sousa, Tabuns.

The Chair (Mr. Pat Hoy): The motion is lost.

Number 5 is also a PC motion. Mr. Barrett.

Mr. Toby Barrett: Yes, an Ontario PC, opposition, agribusiness motion:

Whereas 2014 is the most recently proposed target for the shutdown of coal-based electricity generation, and there is doubt whether that date is even achievable or advisable; and whereas tens of thousands of non-food-producing acres have become available because of the destruction of Ontario's tobacco economy; therefore, the Standing Committee on Finance and Economic Affairs recommends the Ontario government provide comparable alternate fuel subsidies to establish the production of agricultural crop biomass.

The Chair (Mr. Pat Hoy): Comment?

Mr. Toby Barrett: Again, we know the recent history: the present Ontario government striving for alternate sources of energy and putting their money where their mouth is. We know that solar is subsidized to something up to the point of 80 cents per kilowatt hour and that subsidies for wind generation are somewhere in the order of 14 to 17 cents a kilowatt hour.

We received a presentation from a group in London, again, as I recall, calling for assistance with respect to the establishment of tallgrass prairies and other native-type prairie grasses and the purpose of growing these crops as biomass for replacement for the coal-generating stations in the province of Ontario. I understand that grasses like this can be—the additional cost comes in—the estimates are somewhere around 14 cents to 17 cents per kilowatt hour, so it's comparable to wind. One difference: Wind power has the subsidy. I'm not aware of any decisions being made with respect to subsidy for either agricultural biomass or forest product—wood fibre, wood pellet—biomass. That's the idea behind this particular motion.

0920

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: Clearly, the use of biomass as an energy source to replace fossil fuels will be one that can and will assist in meeting the government's goals in greenhouse gas emission reduction targets.

Having said that, as well, OMAFRA is currently working with OPG and stakeholders representing a broad cross-section of industry, the academic community and government experts to explore a variety of opportunities and the issues related to the use of agricultural biomass. Recently, OMAFRA has established a steering committee to review and assess the feasibility of a commercial agricultural biomass industry in Ontario.

Although I think the motion is probably well intended—and I'd never question that, that they're well intended—we just think it would be premature to support this motion in the absence of the work that OMAFRA's currently undertaking.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question: All in favour? Opposed? The motion is lost.

Number 6 in your packet is a government motion. Mr. Sousa.

Mr. Charles Sousa: The government motion reads as follows: The Standing Committee on Finance and Economic Affairs recommends that the government provide the requested $500,000 investment in Windfall, a charitable organization that provides brand new clothing to more than 64,000 low-income Ontarians. This funding will allow them to increase their operations to help more low-income Ontarians.

As noted, the organization has been successful in providing brand new clothing and other basic needs from private corporations and distributing them to more than 64,000 people, a third of whom are children living in poverty. They provide on-job training and, alongside that, they have $14 million worth of items. They also support people who need employment training through their employment basics program. Basically, they generate $28 for every dollar invested. A number of corporations look to them to provide some of these excess materials.

The Chair (Mr. Pat Hoy): Any other comment? ing none, I'll put the question: All in favour? Opposed, if any? Carried.

Number 7 in your packet is a PC motion. Mr. Barrett.

Mr. Toby Barrett: Yes, page 7, under the title "Municipalities."

Whereas the Ontario municipal partnership fund, as an extension of the community reinvestment fund, has been a small portion of the municipal annual financial budget; and whereas municipalities pride themselves on advancing business plans and budgets in advance of the operational year in which these plans are prepared for; therefore the Standing Committee on Finance and Economic Affairs recommends the Ontario government provide sufficient notice, in advance of the municipal annual budgeting process, of the ongoing annual impact of any Ontario municipal partnership fund allocation reductions so that plans are appropriately adjusted and that possible advance ratepayer communication can occur.

The Chair (Mr. Pat Hoy): Any comment?

Mr. Toby Barrett: Yes. This issue was raised by a number of municipalities. I recall that the mayor of the town of Tillsonburg, for example, raised this again in the London hearings. The municipality of the town of Tillsonburg traditionally receives something like $345,000 a year in the OMPF funding. They indicated that their

budgeting process begins in September of each year. He indicated that they began deliberations in September 2009, putting forward and advancing their business plans and their budgets well in advance of the operational year for which those plans are prepared. In the most recent example he gave, on December 15 of last year, the town was notified that, effective 2010, the allocation was reduced by $69,000, so they did receive $276,000. He made it very clear that they're appreciative of this revenue, but it does cause problems for them with not getting sufficient notice.

The Chair (Mr. Pat Hoy): Mr. Miller.

Mr. Norm Miller: I'd just add that I recall that there were several municipalities where their budget year is the calendar year, and I think in that particular case, they'd already set their tax rates, and then they find out that the funding they're getting is not what they counted on. So obviously, it makes it very challenging for them. I think for municipalities, they want to have stable, multi-year funding, and if they can't have that, at least more notice so that they haven't set their tax rates before they find out what funding they are getting through the OMPF funding model. But certainly we heard from many different municipalities concerned with the OMPF funding.

The Chair (Mr. Pat Hoy): Mr. Arthurs.

Mr. Wayne Arthurs: I think this is a reasonable expectation of government by municipalities, although we might—I wouldn't say disagree. I think there were two points being made by the members opposite: One spoke to a very early time frame for some municipalities in trying to develop their budget plans; the other spoke to their fiscal year, which are the same in many ways, but I know from my own municipal experience, the municipal budget, the regional budget that I was party to, often didn't get passed until March, April and May. That doesn't mean the work hadn't begun, and that the necessity to have early information was important. I think it would be challenging to provide information in the fashion that the motion might, in an ideal world, see early enough for a September preparation and ratepayer communication.

Having said that, though, we think that it's more than reasonable that we make every effort to provide that information in a fashion municipalities can use to their best effect, and that, given the amount of dollars, since we're currently investing some $1.2 billion in 400 municipalities through OMPF and social assistance uploads, we make every effort to meet the municipal needs in planning their budgets as well. So we're more than pleased to see this motion and happy to be able to support it.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the—

Mr. Norm Miller: I'm shocked. I think I heard it's supported by the government.

Mr. Wayne Arthurs: On a recorded vote so the member opposite will actually know—

Interjection.

The Chair (Mr. Pat Hoy): A recorded vote is requested.

Ayes

Albanese, Arthurs, Barrett, Levac, Mauro, Norm Miller, Sousa, Tabuns.

The Chair (Mr. Pat Hoy): The motion is carried.

Now we'll move to number 8, which is also a PC motion. Mr. Miller.

Mr. Norm Miller: Whereas roads and bridges are the all-important links between communities across Ontario; and whereas municipalities across Ontario are struggling with the high costs of maintaining their roads and bridges; and whereas the economic vitality of Ontario depends on the safe and efficient movement of people and goods; the Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance provide an ongoing funding arrangement to municipalities for roads, bridges and other infrastructure projects, providing long-term predictability and merit-based funding.

Certainly, particularly for rural municipalities, roads and bridges are one of their most significant expenses and it's not something you can really put off. I know that the Auditor General in his report last year focused on the safety of the bridges across the province, and I think what municipalities would like to see is multi-year funding so that they can plan for these capital projects, as compared to the sort of one-off funding that they have to compete for in many cases.

0930

Perhaps even consideration of something like a portion of the provincial gas tax going to all municipalities—I know that currently the situation is that it just goes to municipalities with transit. For small rural communities, transit means roads and bridges because they don't have any public transit.

I think that predictability is something that they very much need.

The Chair (Mr. Pat Hoy): Thank you. Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: Certainly the government has been and continues to be firmly committed to supporting municipalities in their infrastructure needs.

During the past three years we've committed some $6.6 billion in municipal infrastructure. Our 2009 budget committed $32.5 billion over two years for new infrastructure to support more than 300,000 jobs at a time of economic need, as well as the real needs that are out there.

I think we're aware, as is the opposition, who I guess had the privilege, as we speak, of governing as a party for the better part of four decades or more, as the case might be—they know the history of bridges and how long bridges last in that regard.

We haven't downloaded any provincial highways to municipalities, so that's one thing that we haven't added to their cost base.

We're going to continue to invest heavily in infrastructure in municipalities on an ongoing basis, but we're not in a position to support this particular motion.

The Chair (Mr. Pat Hoy): Any other—Mr. Miller.

Mr. Norm Miller: If I may comment some more. I hear from small municipalities that the process of being involved in the competitive application process for the one-off funding programs is a significant challenge for small municipalities. They often will have to hire engineers and spend a lot of money, and then they aren't successful. Then, the next year, another phase of the program comes around and they have to go through the whole process again.

As I say, particularly, the smaller the municipality gets, the more of a challenge it is. I know in my riding I have 26 municipalities. I think some have as few as 500 people in them, some of the very small municipalities, like Joly township, for example.

The process of applying all the time and, in many cases, not receiving the funding is quite onerous for them.

The Chair (Mr. Pat Hoy): Mr. Mauro.

Mr. Bill Mauro: Mr. Miller makes a good point, especially in regard to the smaller municipalities. But I would say, over the last six, going on seven years that I've been around here, there has been an incredible number of successes with the smaller municipalities that are contained within my riding. Oliver Paipoonge, Neebing, Conmee, O'Connor: All of them have been extremely successful through government infrastructure programs. The point is well taken that sometimes there is a risk involved simply to do the engineering studies necessary to be eligible to apply for infrastructure programs; it's there and it's a big risk. We talk about it often, as a northern caucus, on our side of the House, I would suggest. In fact, there are examples out there where, through infrastructure programming and recognizing that challenge for smaller municipalities, they have been made eligible for more than their one-third share when it comes to the infrastructure stimulus piece.

In fact, I think, as a government, we have addressed some of those concerns, but I did want to acknowledge the comment.

The Chair (Mr. Pat Hoy): Mr. Levac?

Mr. Dave Levac: I too want to comment on the general discussion that we've just had. I think there are a couple of missing components that I want to delicately mention, and that is long-term planning and what we've not been doing as municipalities—governments of all stripes and of all levels—and that is anticipating.

The major thrust of our last large Canadian—not just Ontarian—infrastructure blitz was the 1960s. If there's an expectation between 1960 and 2010 that we didn't see this tsunami coming, shame on all of us.

In retrospect, the comments could be reflecting an ask for us to be a little bit more prudent in our planning—not just in our spending, but in our planning—with the anticipation that in 30 years there's going to be a need for a retrofit of certain things, like roofs, insulation and the types of things that I hope we've learned over the decades—and I mean decades—that we've been negating, along with some people's pride in not raising taxes at all, knowing that there needs to be an infrastructure rehabilitation in the future. If we continue down the same path, the opposition is going to be sitting there—whoever is on this side—saying the same thing over and over again.

My comment is not based on an accusation on tone to anyone, other than for all of us to get our heads around the idea that we need to start planning for future needs in infrastructure so we get this corrected. There is a point to be made about making sure that when these monies are distributed, there is some type of accounting for the future needs of that pipe we put in the ground or that civic centre we build or that ice rink we refurbish. That's my generic comment to all of us: to pay attention dearly to what we would be going through over and over again if we don't plan for the future.

Interruption.

The Chair (Mr. Pat Hoy): Any other comments? I'll put the question. All in favour? Those opposed? The motion is lost.

Have the bells quit? It would appear we can proceed. Number 9 is also a PC motion. Mr. Miller.

Mr. Norm Miller: I'll read the motion:

Whereas Ontario homeowners continue to be locked into unrealistic values taken at the height of a hot housing market until a new assessment is conducted in 2012;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance re-establish annual assessments to better reflect current property values and cap property assessment increases at an inflationary rate.

Mr. Chair, I think it's self-explanatory.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Wayne Arthurs: Mr. Chair, I don't think my comment will come as a particular surprise to the opposition mover of the motion. Government will not be supporting this motion. We've moved to a four-year assessment cycle, to be phased in from its lowest value to the value it's assessed at over that four-year period. It provides a high degree of stability and predictability within the context of the assessment and market-value system.

When I read the "whereas" clause—it wouldn't form part of any motion if it were adopted—it speaks "to unrealistic values taken at the height of a hot housing market." I only need to look at what I'm reading and seeing in regard to housing values in Ontario today. Market value generally in Ontario is increasing. Reassessment today would reflect yet a higher market value than might have been seen in the last assessment as it is phased in over time.

I would like to make an acknowledgement, though. In the motion itself, the operative clause speaks to "better reflect current property values and cap property assessment increases at an inflationary rate." My recollection from earlier debates we've had around this matter, here and in the Legislature, is that the position of the opposition and its leader and former critic was caps at 5%. This seems to be a bit of a dramatic departure from that 5%

annual cap to an inflationary rate. I'm just wondering whether that's a shift in position from the opposition. I'm not anticipating an answer today, but they may want to give that some thought.

Mr. Toby Barrett: I think all three parties are in the middle of a policy development process.

The Chair (Mr. Pat Hoy): Is there any further comment? Hearing none, I'll put the question.

Mr. Wayne Arthurs: Recorded vote.

Ayes

Barrett, Norm Miller.

Nays

Albanese, Arthurs, Levac, Mauro, Sousa, Tabuns.

The Chair (Mr. Pat Hoy): The motion is lost.

Number 10 is also a PC motion. Mr. Barrett.

Mr. Toby Barrett: The title is "Affordable housing."

Whereas the Ontario government has committed to renovating social housing units and to building new social housing units; and

Whereas 95% of those who receive Ontario Works benefits are tenants and 86% of these Ontario Works renters live in the private rental market;

Therefore, the Standing Committee on Finance and Economic Affairs recommends the Ontario government re-allocate resources to facilitate renovating and building private sector housing units for those tenants in need.

Again, over the course of the eight days of deputations, we received a number of submissions from advocates for the housing problem for low-income people and for people on ODSP and Ontario Works. At one of the presentations, we were given these statistics with respect to Ontario Works, and the fact that the majority of people who are renting and who are on Ontario Works live in an apartment. They're not on the list; they're not in social housing, essentially not benefiting from much of the social housing policy. Hence, the motion. Certainly in my constituency office—my office is in downtown Simcoe—like many small towns, it's a challenge. The downtown core is always a challenge. The town of Simcoe now has a Walmart and a number of fairly large shopping malls on the gasoline alley.

0940

I'm assuming—and we have heard this in our travels—some of the challenges with respect to downtown, but more particularly, the challenges for people on low income or on government programs who are living in those second-floor apartments above the stores, sometimes on the third floor. Some of the conditions in these apartments are abysmal. I assume part of it is that the economics are not there for the oftentimes absentee landlords. Oftentimes, the storefront down below is adequate and suitable, although because of the recession, some of them are boarded up.

From my perception, being in a constituency office now for 14 years, and talking to so many people who are living just down the street, and walking up to the second or third floor, I consider some of it downright dangerous. I think this is something that we should take a look at, given that so many people in dire economic straits are living in these apartments. It's a safety issue and an issue of public health and cleanliness—and inadequate heating, on some occasions. Many of them don't have air conditioning. So I wanted to put that out there, Chair.

The Chair (Mr. Pat Hoy): Thank you. Any other comments? Mr. Arthurs.

Mr. Wayne Arthurs: During the course of the hearings, I know we did hear from a number of stakeholders in respect to priorities. I think around this place we asked, on more than one occasion, "If you had to pick and choose your priority, what would it be?" Many of those advocates said that if they had to pick, housing would still remain their priority.

We have made a very strong commitment as a government. In June of last year, we committed to matching federal government funding of some $622 million, for a total of $1.2 billion for the purposes of housing for low-income individuals and their families, divided up in a number of ways.

At this point, I don't see the government changing horses in that regard with its federal partners, although I appreciate what the member opposite is saying. I certainly would encourage him and his party, and those advocates for that, to continue to pursue this particular course of action in the context of getting the matter ahead of government. But at this point, we're going stay on the horse we're on and dance with our federal partners to the tune of $1.2 billion in supportive and social housing as a priority for those groups who came before us. So we will not be supporting this motion, Chair.

The Chair (Mr. Pat Hoy): Thank you. Any other comments?

Mr. Dave Levac: Just a quick comment: I'm glad to hear, at least in a certain way, that the members from the Progressive Conservative party are acknowledging and recognizing the need for affordable housing and assisted housing, as previously, when they had their chance at government, they cancelled the program. I'm glad to see they've had an epiphany and recognize there is a need for this type of assistance, and we will work towards showing them why we want to go in the direction that was outlined by the parliamentary assistant.

The Chair (Mr. Pat Hoy): Thank you. Any other comments? Hearing none, I'll put the question. All in favour? Opposed? The motion is lost.

Number 11 is also a PC motion.

Mr. Toby Barrett: Page 11, under the title "Health care":

Whereas approximately 17% of hospital patients in Ontario (4,977 patients as of January 2010) are waiting in beds for long-term care, complex care, rehabilitation or home care/community services; and

Whereas on average 745 patients wait in hospital emergency departments for a medical bed to become available;

Therefore the Standing Committee on Finance and Economic Affairs recommends the Ontario government continue to allocate increased resources to home care and related community services.

I think members of the committee will recall that a number of primarily hospital organizations presented this problem. It is a problem that we have seen for a number of years, and it seems to have accelerated recently, certainly from what we heard on the committee. This problem was presented several times over, including by the Ontario Hospital Association, as I recall, the fact that a certain percentage of beds—in this case, 17% across Ontario—are being inappropriately occupied by people who would be adequately and in fact better served in their homes or in other home-based, community-based services. It was interesting to see representatives of the hospital institutions advocating for home care directly, advocating for community health care services, at least advocating for those kinds of services rather than solely concentrating on advocating for their own particular institutions—again, seeing that as a means to an end, where it frees up, from their perspective, hospital resources and emergency department resources by extension if people could be better served at home.

The Chair (Mr. Pat Hoy): Mr. Arthurs.

Mr. Wayne Arthurs: Mr. Chair, can I just make a suggestion? If the members opposite were to look ahead quickly to item 13 that the government has before the committee, it speaks to funding for the province's hospitals. Might I suggest, if they would like, that with a slight amendment to their motion that would speak to increased resources to home care, the province's hospitals and related community services, it's then a motion that we could support. The primary reason being that because these are all so interrelated—home care, in many ways, getting people out of hospitals, as you've acknowledged, and the community services related to that—it makes for a more comprehensive package and would allow us to drop our motion, which would then be redundant, and save us all the need to debate yet another motion.

So if the words in there were "increased resources to home care, the province's hospitals and," as you have, "related community services," we'd be happy to support your motion.

Mr. Toby Barrett: Then, on page 13, it would read—

Mr. Wayne Arthurs: We wouldn't need page 13, because it would be included in your motion.

Mr. Toby Barrett: Oh, I see.

The Chair (Mr. Pat Hoy): So to be clear, you just want to add, basically, the word "hospital"—

Mr. Wayne Arthurs: "The province's hospitals."

Mr. Toby Barrett: So after "home care," it would be comma—

Mr. Dave Levac: "The province's hospitals," and then "and related community services."

Interjection.

Mr. Dave Levac: We have to do the amendment first.

The Chair (Mr. Pat Hoy): Are we clear on that? Okay, we'll vote on the amendment. All in favour? Carried.

Mr. Wayne Arthurs: Just very quickly, because I didn't speak to the motion itself and I obviously want to speak to it in a positive way. We think it's a good motion. It certainly reflects what I think we around this table all see as a priority. It's caring for those in our communities who are in need for health reasons, those who are seniors who need the kind of care we all want to have and the related services. Certainly, as a government, we've been pleased to be able to support the sector by increasing funding by over $1 billion during our time in office, and some $150 million in the long-term-care area during 2009-10. But certainly more needs to be done yet, and we're happy to support the motion brought forward by the opposition.

0950

The Chair (Mr. Pat Hoy): Mr. Mauro.

Mr. Bill Mauro: I'm happy to hear the amendment and the agreement on the direction here. I was also going to speak in support of the Conservative motion, but I also felt it was important to mention that this is not a new idea; it is a bit of a reaffirmation of the work we've been doing as a government for the past six years.

Certainly the aging at home strategy funds that have flowed already—they're looking for a continuation of that, so we've been doing that for quite a while. The 17% of hospital patients waiting for beds speaks to what is commonly referred to as the ALC problem across the province. There are many communities that have that in a very acute way.

In my riding of Thunder Bay–Atikokan, we've begun to address that through the continuum of care with the announcement of 132 new supportive housing units that will be constructed, which will allow those people who wait in hospital beds to no longer be in an acute care setting and put them into a supportive housing role as they move from home care before they go into long-term care. I think that's a good thing.

The last point I would make is on the emergency room piece he mentioned. I think it's important to remember that we've now added emergency room wait times to our wait-time strategy; I think we made that announcement some six months to a year ago.

Mr. Toby Barrett: Did we vote on the amendment?

The Chair (Mr. Pat Hoy): We did vote on the amendment. Now we'll vote on the amended motion, if there's no other comment.

All in favour? Carried.

Number 12 is an NDP motion. Mr. Tabuns.

Mr. Peter Tabuns: Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that, in its 2010-11 budget, the government ensure that front-line health services are not put in jeopardy and that the government make responsible upstream investments to control costs

including investments in long-term care and home care to relieve pressures on hospitals, funding for community health centres (CHCs) and aboriginal health centres (AHACs) for oral health care, ending the three-month wait period for OHIP coverage required of newly arrived immigrants, expanding the provincial network of CHCs and AHACs with a goal of ensuring every Ontarian who needs access to CHC/AHAC primary health care can access these services.

I think the motion speaks for itself. I just wanted to say that I think aboriginal health care centres and community health care centres are a very cost-effective way of providing health care to the province and an area where I think investment needs to happen.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: Unfortunately, the government caucus will not be supporting the motion we have before us. I think it was certainly captured, to an extent, in the opposition motion in respect to home-care-related community facilities—I see a number of these flowing into that category—as well as the amended motion that spoke to the matter of hospitals. Certainly the government caucus couldn't commit to a broad policy shift. For example, I think that ending the three-month waiting period for OHIP coverage is a policy matter that would take direction beyond what we, as a government caucus, could support recommending to the Minister of Finance.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Miller.

Mr. Norm Miller: I guess the problem I have with this motion is that it focuses on community health centres and aboriginal health centres specifically. Speaking from my own riding, I don't have any community health centres within the riding of Parry Sound–Muskoka. We have six nursing stations providing primary care, which is fairly unique and a model that I would say the government should be looking more into, because it works extremely well in rural and northern Ontario. In my riding we have rural hospitals and family health teams, but we don't have community health centres or aboriginal health centres, despite having seven First Nations within my riding. It's a little too focused on just those means of delivering health care.

The Chair (Mr. Pat Hoy): Mr. Mauro.

Mr. Bill Mauro: As the parliamentary assistant has given the reason for not supporting the motion, I think it's important to state as well, on the community health centre piece, that the province of Ontario has gone through the greatest expansion in terms of budget and offices and support services through community health centres in the history of the province over the last five or six years, led by former Minister of Health George Smitherman. In fact, I think we've made an announcement—not too recently, perhaps—in the 2009 budget dealing with oral health care for people, on an income-based method.

So, much of what's contained in this motion here has been addressed and continues to be addressed. But, as mentioned by the parliamentary assistant, the reasons for non-support are now on the record.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Peter Tabuns: Recorded vote.

Ayes

Tabuns.

Nays

Albanese, Arthurs, Levac, Mauro, Sousa.

The Chair (Mr. Pat Hoy): The motion is lost.

Is it the government's intention to withdraw number 13?

Mr. Wayne Arthurs: Yes, please.

The Chair (Mr. Pat Hoy): They have withdrawn number 13. We'll go to 14, which is a PC motion. Mr. Barrett?

Mr. Toby Barrett: Whereas the McGuinty government broke its 2003 promise to seniors to provide an additional $6,000 in care for each nursing home resident; and

Whereas tens of thousands of Ontarians remain on a waiting list for a long-term-care bed;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance expedite the redevelopment of Ontario's 35,000 oldest long-term-care beds.

Again, very simply, there are inequities with respect to whether—I mean, we see this across the province, whether you are in a brand new long-term-care facility that has just been constructed in the last several years or, if it's the luck of the draw, you are in a facility that is many years old and just does not have the same standards. We ask that resources be allocated to bring these kinds of older long-term-care facilities up to snuff.

The Chair (Mr. Pat Hoy): Mr. Miller?

Mr. Norm Miller: You know, I think that the past PC government put quite an emphasis on both the redevelopment of long-term-care beds and new beds. I may have the numbers wrong, but I believe that approximately 16,000 long-term-care beds were redeveloped and 20,000 new beds were created in the province. But there still remain many of the older long-term-care homes, as an example. You always think of your own riding. In Huntsville, there's Fairvern, which is an excellent long-term-care home. I've been to it many times. They do a great job, but it is an older facility in need of redevelopment.

As the members of the government mentioned in addressing the last motion, they have the ALC, alternate level of care, situation in our hospitals, where alternate-level-of-care patients are occupying the acute care beds. It is a significant problem in the hospitals, and this may help alleviate that. I know in some of the hospitals in my riding, 30% to 40% of the beds are occupied by ALC patients.

The Chair (Mr. Pat Hoy): Thank you. Any other comment?

Mr. Wayne Arthurs: Fairly briefly. Since taking office, thereabouts, we've opened some 8,000 new long-term-care beds. I acknowledge the work that the previous government did. Amongst that work, we're beginning to approach 28,000 to 30,000 new long-term-care beds in the province, which certainly has been helpful in the necessary area.

The earlier PC motion that I think had unanimous support around the table, if I recall that, spoke to continuing to increase resources and allocate resources to home care. I think that motion stands well. At this point in time, it would be problematic for us, frankly, to support something that speaks to expediting the redevelopment—I'm not quite sure what that means—of the existing bed, but I think the earlier motion is one that best reflects an opportunity for the minister to review and reflect on our commitment, through his budget, to long-term care. So we won't be supporting this particular motion.

The Chair (Mr. Pat Hoy): Mr. Mauro?

Mr. Bill Mauro: I just want to say that, again, it seems to be a motion that reaffirms work that the government is already doing. Just within the last two weeks, there has been a rollout—a significant announcement—of redevelopment of B, C and D beds in the province of Ontario, as the government moves to meet its commitment of redeveloping 35,000 beds over 10 years, I think was the announcement.

I know in my riding of Thunder Bay–Atikokan, the Bethammi beds, 109 or 120 beds or so that I think were C beds will now be redeveloped. That work will start very soon and it will be added to a brand new long-term-care facility that we're building in the province that was already at about 330 beds or somewhere in that range.

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The work is going on already. We are meeting the commitment that we articulated about a year ago. I think it's important to just let people know who are interested in this issue that we are in fact meeting that commitment and that just within the last two weeks, announcements in this regard have been made.

The Chair (Mr. Pat Hoy): Mr. Levac.

Mr. Dave Levac: Not to belabour the issue, but I do want to make a couple of quick points.

The B, C and D bed were identified after the renewal of the first wave of new investment for long-term-care homes. Shortly after that, the rest of the plan started to roll out, which was to ensure that home care was supported as much as long-term-care homes were, and hospices, in order for us to relieve a lot of the pressure we were receiving at the hospital level.

The idea that should have been done, that was recommended to the previous government, was to get all these factors in place before they closed the hospitals. They did not take the advice that their own people were giving them in terms of the report and caused this backlog of problems. This plan is now to remove that problem once and for all.

In the riding of Brant, for example, the B, C and D bed at the John Noble Home were announced with a creative idea of turning some of them into apartments, whereby a senior who goes into the long-term-care home could also rent space within the very same structure of a restructured B, C, D bed; that they could sell their house, move into an apartment and be beside their loved one on an ongoing basis between going back and forth. I was extremely complimentary and very impressed with this concept that has been created.

The government has been providing those types of opportunities in a rollout plan. I think the introduction of long-term-care home improvements, the B, C, D bed conversion, the hospice and the home care strategy speaks to a long-term solution, that if we stay on this course, we're fine.

While I appreciate the opposition's insistence on expediting that process, again, that would cost an awful lot of money to do that in a short period of time, which would also speak to my own concern that I'm starting to see a trend here, and that is that every motion I'm hearing from the Progressive Conservative government is to spend more money.

I think the plan we've got is appropriate and very well thought out.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question.

All in favour? Opposed? The motion is lost.

Number 15 is also a PC motion. Mr. Barrett?

Mr. Toby Barrett: Whereas the availability of an affordable and reliable supply of energy was instrumental to Ontario's stature as the economic engine of Confederation;

Whereas the provisions of the Green Energy Act and government subsidies like those recently awarded to Samsung will substantially increase energy costs for Ontario's businesses and industries, making it uneconomical for them to remain in Ontario, and leading to continued job losses;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance impose a moratorium on government subsidies to the renewable energy sector.

The reason here, this Samsung deal: Some of the information has been made available. It's seen as a bit of a backroom deal and just seems to really fly in the face of the developments to date with respect to bringing along renewable energy on a level playing field for all those who are in the business or interested in getting into the business. The Samsung arrangement has frozen out other players. I feel, in many ways, it has kind of set back the whole process. We're asking for a moratorium. We have to essentially make a quantum shift and bring this back to where it should be, as far as a fair and equitable system. There are other players out there who have been waiting in line to be involved in the renewable energy sector, and

they feel that they have now been frozen out by the kind of arrangement that was struck with Samsung.

Mr. Miller, do you have any comments?

The Chair (Mr. Pat Hoy): Mr. Miller?

Mr. Norm Miller: It was the government's own expert witness, Dr. Warren Jestin, who stated, "I think it's also critical ... that we don't try and pick winners and losers on a specific basis. We've got to establish a globally competitive tax environment, and the winners will rise to that particular reality." When the government goes about making special deals, they are, in fact, picking winners and losers. The government barely established its feed-in tariff program when they were at the same time negotiating with Samsung and cutting a sweeter deal. That could be to the detriment of Ontario-based businesses that want to compete for the feed-in tariff program.

On the topic of the Green Energy Act, I would comment that the one sure thing about it is that energy prices are going up in this province, and that's very worrisome. It's worrisome for the big projects like the Ring of Fire up in northwestern Ontario where they're now concerned that the smelter operations will happen in Manitoba or in Quebec because our energy costs are too high. It's a concern in Timmins where the Xstrata copper smelter is shutting down. I think that the higher energy prices caused by the Green Energy Act are one thing, but the government's making it worse by then cutting sweeter deals and trying to pick winners and losers.

The Chair (Mr. Pat Hoy): Thank you. Mr. Arthurs?

Mr. Wayne Arthurs: We couldn't possibly be supporting this particular motion. Frankly, it would be entirely contrary to the government's efforts over time to build on the renewable energy sector, to become a global leader in the green economy, to see Ontario as an international destination place for green energy investment, the development of green energy expertise and the manufacturing that would go with that. It's critically important that we develop a next generation, a next iteration of energy in this province—solar, wind and other renewables.

In spite of their difficulties today, when a Toyota comes to Ontario to build a car plant or a Honda comes to Ontario to build a new engine plant, we don't sit at the table when they arrive and inquire of us if we're interested in doing business—we don't tell them, "Well, we can talk to you as long as you bring your competitors to the table. Then we can have a conversation around how you want to invest in this province." I don't think anybody in the business community would expect that to happen. We welcome those in the international, Ontario and national communities who want to speak to government about the opportunities to invest in this province, particularly in the area of renewable energy opportunity, and I believe that it would be the expectation of our government and of the Premier to continue to do that.

There is a cost to developing wind and solar. There are needs to provide incentives for that purpose, and that's not a new iteration. I recall in my municipal days, under a former government—I think it may have been the NDP government of the day, but I can't recall—there was a program in place for the use of, I'm trying to think of the acronym now, but the non-utility generators. We had a Metro Toronto waste facility in Pickering. It was called the Brock West landfill site and it was one of the first, at least in this area, that tapped off the methane for the purposes of using that resource that otherwise would go to waste and was being flared. Those negotiations at that time were with the government, and the proponent came to government and asked them if they would like to consider this proposal. They were provided, in effect, a subsidy. They were provided a guaranteed price for the energy they produced, not unlike some of the things that are happening elsewhere.

Let me say that that's probably enough. We won't be supporting this particular motion. We feel it would be completely contrary to what the government sees and needs to achieve as we move forward in this new economy to be an international player.

The Chair (Mr. Pat Hoy): Mr. Mauro.

Mr. Bill Mauro: The member opposite has mentioned increasing energy costs, and it is accurate to say that, but it's also accurate to say that from 1990 to 1995, under the NDP, energy costs went up by 35% to 40%. It's accurate to say that in the eight years that the Conservatives were in government, energy costs went up by a similar amount of money. It's also accurate to say that while the Conservatives were in government, energy costs would have increased by even more than that had they not made a decision to cap energy rates and therefore put the increasing costs of energy off the rate base and on to the tax base so that people were, in fact, seeing those costs show up on their debt retirement charge and not so much in the price of the commodity. That was a decision that they made.

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Yes, energy costs have gone up. It's one of the reasons we've provided significant assistance to large pulp and paper companies in northwestern Ontario, tripling the assistance on the northern pulp and paper energy assistance program from seven cents to 18 cents per kilowatt hour in our last budget.

So I think it's necessary, too, to address those comments by that member.

The Chair (Mr. Pat Hoy): Mr. Levac.

Mr. Dave Levac: The one other thing I think is important to mention is that with wind, solar, biomass and other forms of carbon-free or carbon-reduced energy, to characterize the unfortunate wording that is being used, by "sweetheart-deal" comments—and that is, the opposition is good at painting one side of the picture, but they continue to fail to mention the fact that the deal will become muted, on energy costs, if they do not produce the indicators that they said were their objectives, which were 16,000 jobs and four manufacturing companies that will be located in the province of Ontario. So there are some checks and balances to this deal that the members are trying to characterize as not being appropriate.

Quite frankly, the Premier has gone on record as saying that if we end up with Canadian companies, Ontario companies or companies from around the world that have somewhat similar proposals, they'll put them on the table and the government will entertain them. A $7-billion investment—not Ontario money; the consortium money—coming to the province of Ontario, 16,000 jobs, four manufacturing plants to be located by the company, is a pretty good package for us to consider—and there is a deal made, contrary to the characterization that it's some kind of secret sauce that has been whipped up that no one knows about. I think a fair-minded person would understand that there was another side to this, and I just wanted to put it on the record.

I do agree that energy prices are going up substantially, and there are some discussions going on with government, caucus members, the Premier, stakeholders, about the impacts of energy costs on the north, on the manufacturing sector, on those who create employment, and that those dialogues will continue to happen, to ensure that we do the best we can for creating jobs.

The Chair (Mr. Pat Hoy): Mr. Miller.

Mr. Norm Miller: I don't want to get into a long, protracted debate with the member opposite. I would simply like to get on the record that, as a province, we can't afford to spend $340,000 in subsidy to create each new job in this province, which is the case with the Samsung deal.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour? Opposed?

The motion is lost.

The Chair (Mr. Pat Hoy): Mr. Miller.

Mr. Norm Miller: Could I ask if the next government motion is in order, because it has, in fact, been voted on by the Legislature. This is the silly government wedge motion that was on the order paper for this whole week, actually. It was debated and voted on in the Legislature on Monday afternoon.

The Chair (Mr. Pat Hoy): The committee can recommend to anyone they wish to. This one happens not to recommend to the finance minister. As I read it, it doesn't call for a vote. It just recommends that the Legislative Assembly "call on the federal government...." It doesn't say they have to actually vote. It's a recommendation.

Mr. Norm Miller: So despite the fact the exact same motion has been debated and voted on in the Legislature—

The Chair (Mr. Pat Hoy): It's in order as a recommendation, yes.

I'm conscious of the time here, so we'll move ahead. Mr. Arthurs, if you'd read it into the record again.

Mr. Wayne Arthurs: Chair, the first sentence will have a modest change to what you might see in front of you—a couple of word changes.

The Standing Committee on Finance and Economic Affairs supports and reinforces the Legislative Assembly of Ontario's call on the federal government to invest in the future success of Ontarians and recognize that Canada's success depends on a strong and competitive Ontario. Ontario calls on the federal government to support Ontarians in budget 2010 by:

(1) ensuring current and future transfer payments that support services Ontarians rely on are protected, even as the federal deficit is addressed;

(2) committing to the renewal of health care funding agreements before they expire and to the growth of health transfers at the real rate of health care expenditure;

(3) positioning Canada as a global leader on the environment by supporting Ontario's burgeoning green economy through such things as a cap-and-trade program that will support jobs and investment in Ontario, and investing a fair share in Ontario's clean energy initiatives;

(4) investing in our people and positioning them for good jobs by living up to the Canada-Ontario immigration agreement and ending the current shortchanging of new Canadians who come to Ontario;

(5) continuing to partner with Ontarians by strengthening investments in post-secondary education and training programs that build workers' skills and knowledge for today and tomorrow; and

(6) providing stability to the thousands of Ontario families who rely on child care spaces created with federal funding by continuing to fund those quality child care spaces for Ontario children.

The Chair (Mr. Pat Hoy): Just to be clear here for the committee's benefit, in the first line you read and proposed to remove the word "recommends" and add "supports and reinforces"?

Mr. Wayne Arthurs: Correct.

The Chair (Mr. Pat Hoy): Any comment?

Mr. Wayne Arthurs: I'll be brief again, being cognizant of the time. I believe the motion continues to speak for itself. It speaks to some specific needs that the province wants to see addressed in the 2010 federal budget, everything including the need for ending the current shortfall for new Canadians in Ontario to investing in post-secondary education and skills training programs for our future, to child care.

It's quite specific, frankly, in a number of areas that we want the federal government to be able to respond to. I think it's fair to say that we have created, from a business standpoint, a political standpoint, a working relationship with the federal government that we, and I think they, would be proud of.

We've worked in partnership with them on job creation in Ontario through the auto sector initiatives that were undertaken, the unprecedented stimulus investments we've all made and, more recently, the agreements on the harmonization of the sales tax, which I think there's some pretty general agreement, at least in the business and broader sector as well—a number of stakeholders—that this will be important to Ontario on a go-forward basis. We want to continue that relationship, but we want to ensure that the federal budget recognizes and acknowledges the important part that Ontario continues to play in Canada.

The Chair (Mr. Pat Hoy): Thank you. Any other comment? Hearing none, all in favour? Opposed? It is carried.

For the people who may need to get to the House for question period, we will recess until 2 o'clock this afternoon.

The committee recessed from 1017 to 1400.

The Chair (Mr. Pat Hoy): The committee will come to order again for this afternoon's session. In your deck there, we are on number 17, a PC motion. Mr. Barrett.

Mr. Toby Barrett: A motion titled "Ontario disability support program." I'll read the motion:

Whereas 73% of working-age people who live alone and have an intellectual disability are living in poverty; therefore

The Standing Committee on Finance and Economic Affairs recommends the Ontario government develop a strategy to encourage further employment for those on ODSP; to enable ODSP recipients to keep more of what they earn; and to foster asset-building strategies for those on ODSP.

There were a number of presentations by various groups on behalf of people on disability or people living in poverty who had disabilities. There are really three points here, in a sense: first of all, to encourage further employment for those on ODSP. Again, referring to the excellent programs that certain corporations, employers and businesses provide for people on ODSP, and it may be perhaps doing lobby at McDonald's for example, at the restaurant, where the employers—and I've talked to a number of these companies, and they've testified before the finance committee before—go out of their way to bring a person on board, to make them part of the team, and to get over some of the hurdles. They make accommodations, and oftentimes, from my experience, they find that they have a valuable person in their workplace. It's a win-win for the employer and for the person who is on the disability program. That's the first point.

The second point is to enable ODSP recipients to keep more of what they earn. With many of these employment programs, if a person on disability is receiving—I'm not sure—say around $900 a month, whatever it might be, and by working, perhaps they make an additional $400 a month, they may be allowed to retain only, say, $200 of that.

The proposal here is to allow recipients to keep some more of the money that, quite honestly, they have earned. This is a good thing, not only the socialization and the feelings of self-worth and all the good things that we all realize come from employment; they also have that added incentive of being able to keep more of the money that they're actually earning, because it does get clawed back after a certain level.

The third point here is to foster asset-building strategies for those on ODSP. Again, in some of the submissions, there was an indication that you're allowed to have only so much in your bank account, for example. If you're on ODSP, I'm sure there are barriers or disincentives to save for the future, to buy GICs, for example, although I know there is the federal disability support program and there are other legal measures that families can take to ensure, when it comes time for an inheritance, that assets are passed on.

That's essentially the general direction that I picked up from several presentations.

The Chair (Mr. Pat Hoy): Thank you. Any other comment?

Mr. Wayne Arthurs: Briefly. I can't help but concur, at least in part, with the content of what we heard from the deputants who were before us. The government obviously has undertaken a number of initiatives, even at this point, through the poverty reduction strategy. We're currently undertaking a social assistance review, looking to remove some of those barriers and increase opportunities. In particular, to facilitate that work, there has been created a Social Assistance Review Advisory Council, which is being chaired by Gail Nyberg of the Daily Bread Food Bank. I think it's the type of thing that they would give consideration to under their overall process. But frankly, at this point, this particular motion has a very specific focus on enhanced employment without any more specifics, and on asset-building. Ideally, it would be something that the advisory body could be looking at.

The Chair (Mr. Pat Hoy): Any other comment?

Mrs. Laura Albanese: I just wanted to add to that and say that I support the general direction. I know there are a number of organizations—I have one in my riding, Corbrook—that have employment programs for the disabled. The socialization that our colleague was talking about, the self-esteem and the community building are just phenomenal. It's a great opportunity for people who live on ODSP.

I'm really looking forward to seeing what the review that has been put in place will give as its results. I have great confidence in Gail Nyberg; she is the head of the Daily Bread Food Bank, which is quite well-known in Toronto. I look forward to seeing the removal of some of these barriers. That can certainly help people who are receiving ODSP.

1410

The Chair (Mr. Pat Hoy): Mr. Miller.

Mr. Norm Miller: It certainly sounds like the government members are in support of this motion. It's just a recommendation, and you're all talking in favour of it, so I'm sure you're probably going to want to vote in favour.

Mr. Barrett brought this forward, and we did hear from a lot of people as we travelled around the province who were frustrated with the disincentives for somebody's who's on ODSP to earn some money and improve their quality of life. I think there just shouldn't be those disincentives. We should be encouraging people, if they're able, to work and to improve their quality of life. So I certainly support this.

Mr. Toby Barrett: Just another point: I don't know how the vote's going to go or anything like that, and I'm not asking for a recorded vote, but I'm not too familiar with this review by this advisory body. Could this motion

be forwarded to that advisory body? Could they be informed of this? Should I do it myself or ask the clerk to send it?

The Chair (Mr. Pat Hoy): If this motion were to pass, it would be a public document that anybody could refer to. If it did not, you could always send it to that particular body yourself under your own name.

Mr. Toby Barrett: Should I wait till after the vote and then ask if the committee wants to send it over to the advisory body? Is that appropriate?

The Chair (Mr. Pat Hoy): Mr. Levac.

Mr. Dave Levac: In the context of our discussion and in the spirit of what Mr. Barrett is indicating—and that would be the nature of what it is we're taking a look at, in reference to the committee—I don't see any obstacle to allowing the committee to forward this motion. Whether or not it passes, it's a public record even now. It's understood that this is Hansard, and this is a public record in terms of the discussion so that you can hear that—is writing not part of the public record? I just need that clarification.

The Chair (Mr. Pat Hoy): Mr. Arthurs had a question.

Mr. Wayne Arthurs: My comment to the members opposite would be that probably the recommendation at the end of the debate would carry more weight if it were referred to the social assistance review advisory committee as a recommendation, as opposed to being recommended currently to the government.

Mr. Norm Miller: In other words, amend the motion, so instead of saying "the Ontario government," say the name of the committee. Is that what you're—

Mr. Wayne Arthurs: "Recommends to the committee for its consideration." That would, I think, give a window of opportunity for the appointed body to give it due consideration and establish in that context, having been appointed by government, how it wants to advocate as a committee before the government. If that's agreeable, I'd certainly entertain an amendment accordingly.

The Chair (Mr. Pat Hoy): Further comment?

Mr. Dave Levac: Just to capture what it is, you're going to have to get the wording right, and that's what I'm assuming the clerk is looking for. That would be, "economic affairs recommends to"—what's the name of it?

Mr. Wayne Arthurs: The Social Assistance Review Advisory Council.

Mr. Dave Levac: "The Social Assistance Review Advisory Council," and take out "government of Ontario." That captures what I was trying to get at. That captures the spirit of what is being talked about. It does not force the vote to be counterintuitive to the intent of the discussion, and it provides the committee that is already in motion an opportunity to hear what this committee has said.

So I move that wording so that we can speak to the amendment and get that on, and then talk about whether we can vote in favour of it.

The Chair (Mr. Pat Hoy): Are we clear on what the amendment is?

Mr. Norm Miller: Yes.

The Chair (Mr. Pat Hoy): Any comment on the amendment?

Hearing none, all in favour? Carried.

Now to the amended motion. Any comment?

Hearing none, all in favour? Carried.

The Chair (Mr. Pat Hoy): Now we move to 18, also a PC motion.

Mr. Toby Barrett: Page 18 is a little more specific. The information did come forward from one of the presenters. I've titled it "People with disabilities."

Whereas many people with disabilities live on limited incomes, yet they often incur significant costs associated with medically necessary goods and services, such as mobility devices, vehicle conversions, massage and physiotherapy, home care and home cleaning services;

Therefore, the Standing Committee on Finance and Economic Affairs recommends the government of Ontario remove the provincial portion of the HST from all medically necessary devices, goods and services, and work with the government of Canada to develop further appropriate exemptions.

I think it's kind of self-explanatory. I apologize; I don't remember which group brought this idea forward.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: We won't find ourselves in a position to support this particular recommendation. The implementation process for the HST—we believe the tax back to be the single most important thing we can be doing at this time for the economy on a go-forward basis—is really a matter that's had considerable debate not only among ourselves, being the Legislature, but has had the work of the federal and provincial governments in putting a package together. They have come to a conclusion on the exemptions, related to what will be acceptable at this point in time, as I understand it. A one-off request for a further exemption is not something that the government caucus could forward to the minister.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Toby Barrett: Just a comment: Legislative research indicates that it was the Multiple Sclerosis Society that presented that.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour? Opposed? It is lost.

Number 19 is a PC motion.

Mr. Toby Barrett: It's entitled "Employment standards."

Whereas, essentially, the locking out of an employee is analogous to the laying off of an employee; and

Whereas in contrast to being laid off, a locked-out employee does not qualify for employment insurance benefits;

Therefore, the Standing Committee on Finance and Economic Affairs recommends the Ontario government amend the Employment Standards Act to allow locked-out time to be counted as excluded weeks for purposes of employment insurance benefits.

The third party would recognize this as, in part, the direction of a private member's bill by MPP Paul Miller, which I think will be debated in mid-April.

This issue was discussed, I think, when Erin Weir, the economist for the United Steelworkers, testified. Essentially, it's driven by one situation that is occurring in my riding in southern Ontario, where US Steel has idled the very large steel mill and 1,300 people are not working. There's no strike. Most have been laid off, and well over a hundred have been locked out. When you're laid off, you are in a position where you can apply for certain benefits. When you're locked out, essentially—well, in my view, being locked out, not on strike, is kind of the same as being laid off. They had no choice. It was the luck of the draw. It came down and a certain number were laid off, and then the remaining ones ended up being locked out. They are not qualified to apply for EI or to build up weeks, even though they're forced out of the plant, as I understand it. So that's where that one is coming from.

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The Chair (Mr. Pat Hoy): Thank you. Any other comment?

Mr. Toby Barrett: And I might mention, too, that this has come up in the Legislature recently. I understand the government, with some of these labour relations issues, has been speaking with the federal government. I'm not sure if it's specific to taking a look at this or not. But to me, I guess very simply—I'm not an expert on labour relations—it doesn't seem fair. Your number comes up at a certain level and you're not laid off; you're locked out, but you don't have the same status as someone who was laid off.

The Chair (Mr. Pat Hoy): Thank you. Mr. Arthurs.

Mr. Wayne Arthurs: I get the feeling that there's a distinction that needs to be made, if I understand the labour arrangements correctly.

A laid-off employee would be one who would be released from work for whatever period of time as a result of work not being available. The line of a manufacturer shuts down, because there's a product buildup that hasn't yet moved through the system, with an expectation, as a part of the normal workforce, to be called back to work when there's sufficient work, and the layoffs are based on seniority.

A lockout is a provision, as a result of a contract negotiation breakdown, where the employer, in this instance, would not allow the employees, en masse, to work, which is the employer equivalent of the employees striking under that strike mandate they would have to not provide services.

So in the instance of a layoff, it has to do with a reduction in the need for workers. In the instance of a lockout, it has to do with a clear labour dispute, and one provision being, when there's a complete breakdown, for the employer to lock those employees out. What I don't see in the whereases—and, as a result, in the operative clause—is the relationship between a layoff and an employee being locked out.

We have strived over our mandate in government—and I suggest that other governments have tried to achieve the same thing—for a fair, balanced approach in labour relations in the industry, broadly, that it has to deal with. I think we can speak to some considerable successes as a province, particularly during the past few years when some 97% of negotiations have resulted in settlements without work stoppage. That speaks very highly of the capacity of employers and employees to find settlement of their own accord. Very few find themselves at a position where they have to choose either strike or lockout provisions. But that speaks generally to the good labour relations in Ontario.

The government caucus wouldn't be in a position to support this particular motion—frankly, in part, not because the whereas clause would be there but because the idea of laying off and locking out are not analogous in any way that I'm aware of.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour? Opposed? The motion is lost.

Number 20 is also a PC motion. Mr. Miller?

Mr. Norm Miller: It's Toby's.

The Chair (Mr. Pat Hoy): It's up to you.

Mr. Toby Barrett: Page 20, stimulus funding:

Whereas the 2009 Ontario government budget announced \$32.5 billion in "stimulus" funding over two years; and

Whereas the true evaluation of stimulus funding is job creation; therefore

The Standing Committee on Finance and Economic Affairs recommends that the Ontario Government report on the number of jobs created to date by stimulus funding.

As I recall, that \$32.5-billion announcement—I think \$5 billion of that was federal dollars. What's driving this is that there is a very significant amount of money being spent, not only in Ontario but across Canada. Certainly in the United States, roads are being paved and ice arenas are in the works to be built.

The question remains: Is there a direct link? Is the economic activity resulting in jobs? That's the question. In my view, that's the most important way to measure and monitor any success of stimulus dollars.

Mr. Wayne Arthurs: I'll try to be extremely brief. It's easier and more productive to be able to identify and articulate job creation as projects are completed, as opposed to trying to do an in-progress analysis of the number of jobs, which this is calling for. The member is quite right in identifying some \$32.5 billion in stimulus funding. Both the federal and provincial governments are satisfied with the processes they've undertaken to ensure that those dollars are being expended. We're seeing the work going on physically on the roads, so we know jobs are being created.

I'll use broad numbers, but the ReNew Ontario investments supported some 85,000 jobs in 2007-08 and created more than 100,000 jobs during 2008-09. We have some history to work from in looking at job creation, but

it's much harder to track it on an ongoing basis in the midst of projects that are currently under way, given the magnitude of the joint federal-provincial investment—and municipal, I should say. The other order of government is always a partner.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour? Opposed? The motion is lost.

Number 21 is also a PC motion.

Mr. Norm Miller: The motion is to do with deficit and debt reduction.

Whereas the province of Ontario reported a deficit of $24.7 billion in November 2009; and whereas Dalton McGuinty has added over $6 billion to Ontario's debt between November 2009 and January 2010, increasing government spending by over 65% since coming to office in 2003; and whereas the Minister of Finance has failed to present a realistic deficit and debt reduction plan, the Standing Committee on Finance and Economic Affairs recommends that the government of Ontario cap spending this year to the levels targeted in the most recent budget, and prioritize spending to reflect the values of Ontarians, as presented during pre-budget consultation hearings.

We certainly heard from a number of groups that came before the committee about great concern out there about the $24.7-billion deficit, but also the debt that's building up. It's predicted that Mr. McGuinty will have doubled the debt of the province, going from $140 billion up to $290 billion, by 2012.

We heard from people like the Certified Management Accountants, who recommended presenting a multi-year plan in the 2010 budget to address the deficit and restore Ontario's economic climate. The plan should include no tax increases and reduce government spending where possible. We heard from the Ontario Chamber of Commerce, which recommended that smarter, more efficient spending be applied to all programs. We heard from the London Chamber of Commerce, which stated that their members were chiefly concerned about the size of the debt and the size of the deficit and the lack of an articulated plan to eliminate that deficit.

Also, as part of this motion, it talks about prioritizing spending. We heard from people coming before the committee—you think of the mother in Niagara who pointed out that only one in six children is getting help with children's mental health. We asked her in questioning whether she'd invest in full-day kindergarten or children's mental health. She happened to have a child who would be eligible for both. She was very clear that children's mental health should come first.

When you're faced with a $24.7-billion deficit, you do have to prioritize your spending. Health care is something that was expressed as being of great concern to many people as we travelled around the province.

That's what this motion is about. It's about trying to grapple with that deficit and the debt that's building up.

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The Chair (Mr. Pat Hoy): Thank you. Mr. Arthurs.

Mr. Wayne Arthurs: It would be our view that the role of the budget will be to stimulate and create jobs—that's part of the stimulus investments—to help families that are in need of help, and to establish conditions for future economic growth, things like preparing young people for that.

The motion's operative clause speaks to capping "spending this year to the levels targeted in the most recent budget," which I assume to mean "freeze spending." You can't do that, I don't think, effectively and address the requests, to whatever extent is possible, of the health care sector, the hospital sector. You can't address the call of the colleges and universities as a result of tuition pressures. You can't address the long-term-care sector or the needs of education, whether it be JK, SK or the mental health issues. If your spending target is one set as per the most recent budget—I presume that is referencing the 2009-10 budget, not the 2010-11 budget.

The government caucus is not in a position to support this motion.

Mr. Norm Miller: I would just point out that the government has greatly increased spending over the past six years. I think it was $68 billion when they came into power. It's over $100 billion now. So it's just a matter of prioritizing spending. This is quite a reasonable proposition.

The Chair (Mr. Pat Hoy): Any other comment? I'll put the question. All in favour? Opposed? The motion is lost.

Now we come to an NDP motion, number 22.

Mr. Peter Tabuns: Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its fiscal year 2010-11 budget, table a deficit reduction plan that acknowledges that economists believe economic growth can bring the budget into balance by 2014-15 and that cutting public services will only serve to deepen the recession.

I think the resolution speaks for itself.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Wayne Arthurs: I guess I just want to be sure that what is being recommended is a balanced budget by 2014-15, and without making—I'm not suggesting any, but without any public service cuts.

Mr. Peter Tabuns: We don't see that public service cuts are necessary and, frankly, will in fact lead to more unemployment and a reduction in services that are necessary for economic growth and thus will undermine any growth strategy that this government or any government may want to put in place.

Mr. Wayne Arthurs: Again, I'm not going to spend much time. I think we've seen a pretty strong commitment from this government to enhancing and building on public services. I don't know where the future will lead us.

Based on what I heard in part during the pre-budget consultations and even in the fall economic statement and the like, I think that to be in balance by 2014-15 would be extremely challenging. I don't think the government

caucus would be in a position to support a motion that would pre-position for the minister what he can achieve, based on our knowledge of the fall economic statement and even the deputations that we had in London. I believe, to the member opposite, Mr. Miller, it was the Ontario Chamber of Commerce, if that's what it was at that location. I think they talked to the end of the decade as their expected reasonable target for a balanced budget. It was sort of an upfront payment, if one can call it that. Somewhere in the next couple of years, they were looking—that's the Ontario chamber—for about 30% and then 10% annually after that.

Even the broad small business sector, I don't think, is not advocating for the type of measures that might be necessary to achieve balance in the time frame presented in the motion.

The Chair (Mr. Pat Hoy): Any other comment? None? All in favour? Opposed? The motion is lost.

Number 23 is a PC motion.

Mr. Norm Miller: I think this was Mr. Shurman's motion. He's not here today.

Mr. Dave Levac: You can carry it.

Mr. Norm Miller: Certainly.

Whereas small and medium enterprises (SMEs) are the core of Ontario's economic activity;

Whereas excessive government regulation and red tape are impeding the ability of small and medium enterprises to prosper and create jobs in Ontario;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance implement a system that requires the government to track and periodically report to the public on the number of regulations affecting small and medium enterprises that are created and/or eliminated.

I'm sure Mr. Shurman, who made the trip with us around the province, heard from the many different not just businesses, but I think we heard from municipalities. His motion does deal specifically with small and medium-sized business, but we heard from municipalities, long-term-care homes and businesses about the concern with regulations and red tape. That's where this motion is coming from.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs?

Mr. Wayne Arthurs: I can appreciate that Mr. Shurman may not be able to be here and may still be debating his private member's bill, which I believe is on right at this time; otherwise, I'm sure he would be here to speak directly to it.

Mr. Norm Miller: That's right.

Mr. Wayne Arthurs: Open for Business is the government's initiative to make services faster and smarter and streamline government-to-business services and regulations to make Ontario more attractive to business. So we do have a process in place that, in part, speaks to this motion exactly.

Having said that, since we have something in place, we feel that obviously the motion would be somewhat redundant to the Open for Business initiative the government currently has going.

Mr. Norm Miller: If it's not in conflict with the Open for Business program, I would assume the government—in fact, I would think it's more or less the spirit of the Open for Business program that the government is involved with, which I understand is to count the regulations and reduce them by 25%—although I'm a little surprised that the government hasn't been promoting that a little bit more. Usually you're blowing your own horn quite effusively—

Mr. Dave Levac: Oh, come on. Don't do that. Come on.

Mr. Norm Miller: —and yet it seems to be one of the best-kept secrets around.

Mr. Wayne Arthurs: That's something for the new minister to take on.

Having said that, it's our belief that the motion itself is redundant to the work we're already doing, and we won't be supporting it.

The Chair (Mr. Pat Hoy): I'll put the vote. All in favour? Those opposed? The motion is lost.

Number 24 is also a PC motion.

Mr. Norm Miller: "Economic stimulus and job creation:"

Whereas the province of Ontario has seen the loss of 175,000 net jobs during the recession; and

Whereas Statistics Canada is confirming that Ontario's job numbers are, by far, the worst in the country;

The Standing Committee on Finance and Economic Affairs recommends that the McGuinty government implement tax measures such as a one-year suspension of the payroll tax and land transfer tax, which will promote job creation and provide economic stimulus.

I can't stress how important the creation of private sector jobs is to the health of our province, and I differentiate from public sector jobs because it's those private businesses that are taxed, that provide the revenue for the government that pays the salaries of the public sector jobs, and we've seen a huge increase. I think there were over one million private sector jobs in the province, and there's been a big increase in the last number of years under the McGuinty government, but I don't think there's been enough done to support new private sector job creation. That's why this motion is being put forward.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Wayne Arthurs: The current budget, the 2009-10 budget, put forward a comprehensive tax reform package that I would respectfully suggest has been lauded throughout the province by business in particular, but also by poverty groups and others as they come to understand it even more substantively, as it begins to unfold, and that would be the government's response to the tax initiatives that we currently have before us in government caucus. I don't think we would want to propose additional tax measures outside of the comprehensive package that the government has already put forward.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Norm Miller: I know the government has promised over a million new jobs, but what they promise and what they deliver is not necessarily the same thing.

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The Chair (Mr. Pat Hoy): Any other comment? I'll put the question. All in favour? Opposed? The motion is lost.

Now we have an NDP motion, number 25.

Mr. Peter Tabuns: Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its fiscal year 2010-11 budget, reverse the $2.4-billion corporate tax cut and capital tax giveaway to the banks and reallocate money saved towards the following job creation activities:

—highly targeted, job-focused tax credits, including an investment tax credit that would encourage manufacturers and processors to make capital investments and create jobs. The credit would be 10% of investments in new machinery, buildings and equipment; an added incentive of a 20% credit would be available for investments in green industry jobs;

—a buy-Ontario program, with specific domestic content levels for purchases of both Ontario- and Canada-made transit vehicles, green energy inputs, infrastructure inputs and other categories of public spending such as health and education;

—an energy retrofit program in the MUSH sector and expanded green jobs strategy that would make Ontario a leader not only in green energy but also in cutting edge environmental technology and low- and zero-emission vehicles;

—a cultural jobs strategy that would include tax credits for the performing arts as well as individual artists.

Again, I think the motion speaks for itself.

The Chair (Mr. Pat Hoy): Is there any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: Respectfully to the member saying it speaks for itself, he'll appreciate, I'm sure, that the government members would find it difficult to support a motion that relates to the operative "be it resolved" clause where it starts and that effectively would ask government to take a direction on its tax reform package that would be contrary to what the government already has put before the people of Ontario in its last budget.

The Chair (Mr. Pat Hoy): Any other comment? I'll put the question. All in favour? Opposed? The motion is lost.

Motion 26 is a PC motion.

Mr. Norm Miller: This motion is with regard to the HST, and it reads:

Whereas Ontarians are working harder and getting less; and

Whereas the harmonized sales tax will be added to home heating fuel, electricity, gasoline and a host of other services not previously subject to PST;

The Standing Committee on Finance and Economic Affairs recommends Dalton McGuinty not proceed with implementing the HST tax hike on Ontario families, seniors and businesses.

Chair, I think it's fairly clear that the HST is going to increase taxes on individuals, on seniors and on working families. In fact, I gather the NDP just received, through freedom of information, the government's own information that states that, for an average family, the increase will be, I believe, $100 extra tax just on the electricity bill and $125 on the natural gas bill.

I would say that particularly for rural and northern Ontario, it would be far higher than that. If you're heating with oil, that's more expensive than natural gas. If you're in northern Ontario, it's of course colder, so you're using more electricity, gas or oil to heat your home. It's pretty much essential unless you're going out and chopping down some trees yourself.

If you live in rural or northern Ontario, you're also far more reliant on an automobile; of course, the HST will mean 8% more on your gasoline. Not only that, as the price of gas goes up—it's 8%—that tax goes up. This will be a hardship for all families, but particularly for rural and northern families.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: I'm sure the member opposite won't be surprised to hear that there shall be no room on this motion for us to find any common ground. Clearly, it's our belief—a strong one—and we've heard from many stakeholders across a broad cross-section that the HST and the tax package is a fundamental change to the future economic growth in the province of Ontario, and we'll stand firmly behind that initiative.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Levac.

Mr. Dave Levac: Just very quickly, I find it rather interesting that this particular motion is coming forward for finance and economic affairs, particularly when a lot of the deputants that I heard in Niagara Falls and London spoke about support of the HST and the tax reform package. I noted in the presentation that there were no comments whatsoever about the tax cuts that were made on January 1 and the tax reform for small business that took place. Save and except this, previous quotes from members of the Progressive Conservative Party favoured this particular function of harmonizing the tax with the federal government. So I just find it interesting.

The Chair (Mr. Pat Hoy): Thank you. Mr. Miller.

Mr. Norm Miller: I have a response—

Mr. Dave Levac: I would hope so.

Mr. Norm Miller: It's interesting to talk about some of the corporate tax cuts, but of course, the first thing the McGuinty government did when it came to power in 2003 was stop the planned reductions. The corporate tax rate was going from 14% to 11%, and they actually brought about a 27% increase in corporate tax and other tax increases in the very first budget. Now, six years later, they're starting to make some reductions, and we're in favour of those reductions for both small business and the corporate tax rates. But it's kind of like the sale you

have in the store where you increase the price by 30% and then have a 20% sale: You're no better off.

The Chair (Mr. Pat Hoy): Any other comment? I'll put the question. All in favour? Opposed? The motion is lost.

Number 27 is a PC motion. Mr. Miller.

Mr. Norm Miller: This motion has to do with red tape, and it reads:

Whereas small and medium-sized businesses employ more than half of working Ontarians and create the majority of new jobs; and

Whereas the cost of regulation in Ontario presents a cost to business totalling $10.8 billion;

The Standing Committee on Finance and Economic Affairs recommends that the government of Ontario help businesses succeed by:

—helping to inform business of regulation and assist in achieving compliance;

—undertaking an assessment of any proposed legislation and regulation and determine what the economic and administrative impact is of same. The assessment should include a review of the additional burden on business as well as the cost on government to implement said legislation;

—reviewing all existing legislation/regulations and forms and undertake to remove those which are outdated and streamline others wherever possible;

—establishing hard targets for each ministry with reporting to cabinet at regular intervals;

—reconvening the Red Tape Commission to facilitate these measures.

This is something I personally feel is very important and I know our party does as well. As we went around the province, I was amazed by the number of different and diverse groups that brought up regulation and red tape. It wasn't just business. This focuses more on business because it is a huge impediment to business—but we did hear from business. We heard from small business, the chemical industry, the manufacturers, chambers of commerce, accountants and municipalities. We heard from long-term-care homes and other public sector organizations about the smothering effect, the difficulty with the environment we have. So I really believe that it's especially important for business if we want to see them succeed, and that there needs to be a complete change in the way we regulate and in the attitude of the government.

That's really what this is about. I totally support it and I think it's very important to the province.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Wayne Arthurs: We saw something in a motion that I think was similar, a few motions ago, although this is obviously different but in the same vein. We firmly believe Open for Business is the government's initiative for faster, smarter and more streamlined government-to-business services. I take my friend's earlier comments to heart and I will certainly pass those on to our new minister in that regard, that maybe we're not doing a good enough job getting out the message of the good work that is happening at this point in time. I don't think that we're probably going to want to support the re-establishment of the Red Tape Commission as it previously existed.

Mr. Norm Miller: The government's Open for Business initiative is just a small start, I would say. I think we need to go much further than just counting the regulations. It's not necessarily only just the number of regulations; it's also the attitude of the regulators and those people who come in to deal with business in this province.

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I really believe that we need to change the attitude of government from being only the police to being there to assist business to comply with the rules. Ninety-eight per cent of the businesses out there want to comply with the rules. They don't know what half the rules are, so they need help in understanding the rules. The rules need to be simpler.

It should be the job of the government, when they send inspectors around, whether it's labour, environment or whatever, to actually go into the business, inform them about the rules and then assist them to comply, instead of just going there as the police to charge them and fine them. I can tell you, from being in business myself, there was a time in this province when the fire inspector or the Ministry of the Environment inspector did actually assist you and did that very thing. It needs to go back to that way in this province.

The Chair (Mr. Pat Hoy): Mr. Levac.

Mr. Dave Levac: I just want to go on record as making it clear that I don't subscribe to the definition of how some of those public servants were being described. There may be some circumstances in which the stories can be told about how difficult it was, but the characterization that rules and regulations and a Red Tape Commission would change that culture does not speak to what the parliamentary assistant is saying about why we want to move in the direction we are, and supporting the spirit of trying to make government act in a better and more culturally acceptable way. I don't subscribe to the characterization.

I would also suggest that the last part of his comments did not even speak to the motion, because the motion doesn't make reference to that at all.

Having said that, I'm concerned that this Red Tape Commission that's asked to be reinvigorated—some of its actions created some very serious problems in the province of Ontario, which we need not to have happen again.

So I would suggest, respectfully, that the parliamentary assistant has absolutely answered the question fairly, and indicated that the government is going to be taking the steps to deal with that issue, but in a different way than what is being proposed in this motion.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Miller.

Mr. Norm Miller: Yes, I would like to comment more. From anything I've seen in the Open for Business

proposal, there's nothing about point one, "helping to inform business of regulation and assist in achieving compliance," which was what I was talking about.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question. All in favour? Opposed? The motion is lost.

Number 28 is a government motion. Mr. Arthurs.

Mr. Wayne Arthurs: The Standing Committee on Finance and Economic Affairs recommends that as Ontario emerges from the global economic recession, and understanding that there is often a lag in job creation, the government continue to invest in skills training programs for both unemployed workers and those that seek to train for new careers in the new economy.

The Chair (Mr. Pat Hoy): Any comment?

Mr. Wayne Arthurs: I think the motion is self-explanatory.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Miller.

Mr. Norm Miller: I would just say, the government had its Second Career program, and I think they've had about 25,000 people take advantage of that. But the fact of the matter is, there are hundreds of thousands of people that have lost their jobs in the province. I can tell you, on a constituency level, I'm hearing from people that have gone through the whole process of applying for Second Career and then have been turned down and have been very disappointed.

Perhaps this motion means that they're going to reinvent Second Career or properly fund it. I assume that's what the parliamentary assistant is planning with this motion.

The Chair (Mr. Pat Hoy): Mr. Arthurs, do you care to make a further comment?

Mr. Wayne Arthurs: As I said, the motion speaks well for itself. We understand the importance of investing in future employment for those who are unemployed and those who need to retrain. We'd bring forward a recommendation to encourage the minister to prioritize this in the context of the fiscal resource available to him, because of its importance to those individuals, their families and certainly to the economy.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question. All in favour? Opposed? Motion carried.

Number 29 is a PC motion.

Mr. Norm Miller: Okay, I'll do that one.

The Chair (Mr. Pat Hoy): Mr. Miller.

Mr. Norm Miller: I believe this is Peter Shurman's motion. He's still doing his private member's bill up in the Legislature, but I know this is a topic he's very interested in. It has to do with venture capital. First of all, I'll read the motion.

Whereas venture capital is fundamental to private sector job creation in Ontario; and whereas the availability of venture capital in Ontario has dropped by 63% since 2003, primarily due to Liberal tax policy changes and excessive government red tape, the Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance remove the financial disincentives and administrative barriers that currently make the Ontario venture capital market unattractive to investors.

I know we had at least one presenter involved in venture capital who pointed out that the Ontario fund, last year, was hardly used at all. The trend in the last three years had been down significantly. Venture capital does create good private sector jobs, which are so important to the economy of the province. That's why Mr. Shurman has put this motion forward.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: We've created a $250-million fund, the Ontario emerging technologies fund, the OETF. It's intended to target those high-potential companies in three primary sectors: clean technologies, life sciences and advanced health technology, and digital media and information and communications technologies.

I find it interesting that just in the past week or so, subsequent to our tour, we listened to the media about the success that is currently occurring in the media sector and how we have rebounded as a result of investments generally in that area. I can't say that those monies that were invested there came specifically out of this fund I'm referring to, but it's that sense of emerging new opportunities for technologies. So we're making considerable investments there currently.

We've already brought together institutional investors, corporate funds and the federal government in establishing a further $205-million Ontario venture capital fund. So a fair amount of money had been committed, both by government and the private sector partners, for venture capital and for emerging technologies in the province of Ontario. We're pleased with those initiatives. We look forward to their success.

The member who had proposed this specifically, unfortunately, is not able to speak to it directly, but looking just to "remove the financial disincentives and administrative barriers"—I'm not sure what those are. So we're not going to be supporting the motion. We feel that the funds that are in place, including a venture capital fund with multiple partners, provide a window of opportunity for new technologies, particularly those that have high growth opportunities.

Mr. Norm Miller: I guess what we heard in the presentation was that there was this fund out there but people aren't taking advantage of it. So I think that's what he's referring to as financial disincentives. There may be the $205-million fund, but if you look at the trend line from three years ago, virtually nobody took up that venture capital fund last year, so I think he's looking at ways to see more venture capital be invested.

Mr. Toby Barrett: I know that the parliamentary assistant made mention of investment in certain initiatives. I think you mentioned media. We know that Ubisoft, the video game developer, a French company, did receive a grant. It was something like $263 million for 800 jobs over 10 years—jobs to be created in

Toronto. That works out to about $330,000 a job. We don't favour that approach of picking winners and losers company by company. We prefer a broader tax relief program versus a type of corporate welfare. The corporate welfare approach, in our view, is bad economics.

The Chair (Mr. Pat Hoy): Any other comment? I'll put the question. All in favour? Those opposed? The motion is lost.

Number 30 is an NDP motion. Mr. Tabuns?

Mr. Peter Tabuns: Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that, in its 2010-11 budget, the government announce meaningful pension reform, including:

—measures to expand pension coverage to the 65% of Ontarians who have no workplace pension. The NDP has proposed an Ontario retirement plan to accomplish just that;

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—increase the monthly pension benefit guaranteed by the pension benefits guarantee fund to $2,500 from $1,000;

—create an Ontario pension agency to rescue stranded pensions, such as those at Nortel, AbitibiBowater and Canwest Global.

I just want to add that pension issues are going to become more and more significant and more and more pointed in this province. What we are suggesting here, simply, is that the government start taking account and, in a substantial way, protect people whose pensions are threatened.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: In the Legislature this week—I always forget the numbers; 242 is the pension bill? Someone will correct me if I'm wrong, I'm sure.

Mr. Norm Miller: Bill 236.

Mr. Wayne Arthurs: There are too many numbers, too many bills. We, the Legislature, not the government, are undertaking what appears to be a very comprehensive dialogue around the needs of pensions—some real expression of legitimate concern and interest in finding solutions, I think, over time, as the debate continues and legislation focuses itself down more and more on to the specifics that are still outstanding. I'm optimistic about the debate and the way the discussion has been going in the Legislature. I respect the member's comments and his motion in regard to this particular initiative.

The provision in there, quite frankly, though—even the second provision that we recommend that the pension benefits guarantee fund guarantee $2,500 from $1,000, as one of the recommendations that came out of the Harry Arthurs report, is not a matter that the caucus committee could recommend to its minister. It really is a matter, in our view, in the caucus, still, with government, as a part of that review, and he will have to determine how to come forward on that matter directly without the direction of the caucus members on this committee.

The Chair (Mr. Pat Hoy): Mr. Miller.

Mr. Norm Miller: Certainly the issue of pensions and retirement income is significant. As the parliamentary assistant mentioned, there is Bill 236 that's before the Legislature right now, which is the first of a couple of pension bills that are coming forward.

Certainly, in terms of point number one—measures to expand pension coverage to the 65% of Ontarians with no workplace pension—it's my feeling that it's perhaps something that should be done on a national level versus a provincial level. At least, that would be the ideal situation. What the answer is to that, it may be things like increasing and incenting people to be able to save in their RRSPs or something like an RRSP. Currently, you can only put 18% of income into an RRSP, and yet the benefit of a public sector pension is about 34% of wages, so obviously, there's a huge inequity there.

But also, I think there are some challenges with human nature, with people just not taking the action to save for retirement. I personally certainly like the auto-enrol features of some supplemental retirement systems, like they're doing in England right now, like the NDP is suggesting, although I would think there are also private sector options. It doesn't have to be something run by CPP, but I think it's premature at this time. I think the best solution would be a national program right across the country.

The Chair (Mr. Pat Hoy): Thank you. Any other comment? Hearing none, I'll put the question. All in favour? Opposed? The motion is lost.

Number 31 is a PC motion. Mr. Barrett.

Mr. Toby Barrett: A motion titled "Forest industry."

Whereas the Ontario forest industry remains in crisis; and

Whereas the forest sector is well poised to take advantage of emerging markets such as bioenergy; therefore

The Standing Committee on Finance and Economic Affairs recommends the Ontario government use tax policy to boost research and commercialization of the integration of bioenergy into the existing industry model.

I can't remember which forest group presented this proposal. It's based on the fact, given the business, that logging, lumbering, pulp and paper, and waferboard—what industry is left up there in the forest industry—are also sitting on a source of energy, which is the wood itself: the fibre, pine needles, bark, all the product. The proposal is, it could be more effectively and efficiently used as a source of energy.

We know from previous finance committee deputations in northern Ontario in previous years that the cost of energy, specifically the cost of electricity, has been explained to us in past years as one of the most significant barriers, and one of the most significant reasons as to why so much of the economic activity in northern Ontario has declined. But there is evidence out there that the product they deal with and the waste and fibre that's not used can be more effectively recycled through their operations, in part, as wood pellet. Certainly there are the proposals to replace coal with wood pellets and, by the

same token, to use wood pellets, needles, bark and everything else for their own energy needs.

Again, I thank Larry Johnston for indicating to me that this proposal was put forward to this committee by the Ontario Forest Industries Association. They had a get-together at Sutton Place just yesterday.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question. All in favour? Opposed? The motion's lost.

Number 32 is a PC motion.

Mr. Toby Barrett: Yes, a motion entitled "Forest industry."

Whereas forest companies require a secure, uninterrupted supply of wood fibre; and

Whereas a partnership is required between government, industry and First Nations to move forward in a co-operative fashion;

Therefore the Standing Committee on Finance and Economic Affairs recommends the Ontario government ensure that the required support is provided to ensure that the Grassy Narrows on the Whiskey Jack Forest situation is resolved in a timely fashion, and that, as necessary, the continued access to Justice Iacobucci provided to help supply guidance to resolve any outstanding issues.

I do point out that this motion should state "be provided to help supply guidance." There's a bit of a typo oversight there.

The Chair (Mr. Pat Hoy): Thank you. Is there any comment?

Mr. Toby Barrett: The briefing that was presented here, the concern of the deputants—there have been problems at Grassy Narrows and demonstrations preventing access by the forest industry. The request is not only that the government help out, but help out in the sense of pulling together all sides—and there are always more than two sides—with respect to these kinds of land disputes.

It's very bad for business, obviously, and that side of the equation—the impact that this has on the economic well-being, not only of the companies but of residents in the area, regardless of whether they be native or non-native. There is a role for government to pull people together. They also made mention of the good advice that all were getting from Justice Iacobucci. I don't have the details on that, but they need assistance to ensure that these kinds of ongoing disputes can be resolved to the benefit of all concerned.

1510

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Wayne Arthurs: It's my understanding that the Ministry of Natural Resources still has some jurisdiction in this matter. It's continuing to work with Grassy Narrows on their overall forest management practices. I'm satisfied that, under that ministry's leadership, the necessary discussions, as required, will go on. We're not prepared to offer support to this particular motion, in part because of its complexity. We're discussing here the implications for access to Justice Iacobucci in resolving outstanding issues. It becomes far more complex than a recommendation around budgetary considerations. I'm pleased that the ministry is continuing its work and its efforts, as we all want to see, to ensure that the people of Grassy Narrows have a better future, as we want for our First Nations throughout the province and throughout the country.

The Chair (Mr. Pat Hoy): Further comment? Hearing none, all in favour? Opposed? The motion is lost.

Number 33 is a government motion.

Mr. Wayne Arthurs: The Standing Committee on Finance and Economic Affairs recommends that the government acknowledge that northern Ontario has been particularly hard hit by the global recession and other outside factors and that it provide additional support to northern Ontario and the forestry sector.

You'll note that "additional" is an additional word.

The Chair (Mr. Pat Hoy): Is there any other comment?

Mr. Norm Miller: Yes. Unfortunately, we didn't make it to Dryden, but we were able to hear from folks who were teleconferenced in. We heard about some of the challenges in the north. Particularly we heard that energy costs are a big concern for those energy-intensive industries, like mining and forestry. Some of the pulp operations as well are extremely concerned. I pointed out that we're seeing Xstrata closing down a copper refinery at Timmins. Right now we have a brand new mine that's hopefully going to develop in the northwest. It could be a huge new mine, the Ring of Fire mine. There's the possibility that the smelting will happen in Manitoba and Quebec because of Ontario's high energy policy from the McGuinty government. That's a real concern. The Green Energy Act for sure is going to bring about higher energy costs, and I'm quite worried that we're going to see a huge loss of jobs in northern Ontario in forestry and mining and also in manufacturing as a direct result of the high energy policy of the McGuinty government.

We also heard concerns about access to fibre, meaning wood supply, from a lot of the forestry companies. I know from yesterday, attending the Ontario Forestry Industry Association reception here in Toronto, one of their big concerns is the policies of this government, which are essentially shutting off a good chunk of northern Ontario to forestry operations—sustainable, well-managed forestry operations in this province.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Wayne Arthurs: Just to add a bit: Recognizing the global situation we have and the request to provide additional support to northern Ontario and the forestry sector, it builds on some $614 million in assistance to the forest sector over the past half-dozen years, which includes over $200 million through the forestry sector prosperity fund, over $140 million through loan guarantee programs, over $94 million in the northern pulp and paper electricity transition program, and over $296 million in road construction and maintenance. There have been a number of initiatives spread across a range of activities to support this sector, and we know and recognize that we need to continue to do that and even enhance that effort.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question. All in favour? Opposed? The motion is carried.

Number 34 is an NDP motion.

Mr. Peter Tabuns: Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its 2010-11 budget, allocate funding for the development and implementation of an Ontario climate change plan in order that Ontario can reduce its greenhouse gas emissions by at least the government's own targets by 2014 and by the IPCC recommended target by 2020; that the government introduce the funding of 50% of operating expenses of public transit in its fiscal year 2010-11 budget; that the government table the timetable for the funding of all Transit City LRT lines and commit sufficient funds for the 2010-11 fiscal year to begin construction on the priority lines.

I wanted to say that the climate change plan that was submitted before Christmas showed that the government is not now in a position to meet the targets it had set in 2007 and had promised continuously after that. If in fact we're going to meet those targets, we have to follow the example of places like Quebec that actually have a climate plan, with dollars allocated to measures that will get a government to its claimed destination.

This budget should reflect the government's statement that it has targets that it is going to meet; money should be allocated to that end. Part of that is going to be transportation. Thus, funding has to go back into transportation so that cities that have transit systems can operate them without going broke, and money needs to go into the Transit City system so that the city of Toronto or the centre of the GTA won't be caught up with gridlock forever.

Those are my comments, Mr. Chair.

The Chair (Mr. Pat Hoy): Thank you. Any other comment?

Mr. Wayne Arthurs: I think it would be fair to say that generally government has been very supportive of initiatives in public transit. I think the numbers since 2003 are just under $9 billion committed to public transit, including just over $3.5 billion in GO Transit, so a very strong commitment broadly to public transit. I don't see that changing. I think the member opposite, with his knowledge and expertise in matters such as Transit City and LRT lines and some of the other initiatives, would concur that it's our intention to continue to move forward with a strong commitment to public transit.

It is principally a municipal jurisdiction, although we provide direct funding for public transit through the gas tax allocation, which in some quarters causes some angst because there are communities that don't have the gas tax and they're looking for those monies for public transit. We've kind of dug our heels in, or the Premier did, early on in that one, saying it's important for public transit. But I don't see the government caucus recommending that its minister introduce funding of 50% of operating expenses for public transit in the coming budget year.

Mr. Peter Tabuns: Do you see your caucus recommending that money be allocated in your budget to meet the promises that you've made around climate change targets?

Mr. Wayne Arthurs: I'm hard pressed, without having some more information ahead of me, to speak directly to that, but looking at the motion that I had before me earlier, the particularly problematic area would be that level of funding for operating expenses, or direct funding for operating expenses at that level.

Mr. Peter Tabuns: Setting the transit aside for the moment, the rest of your climate change plan—are you going to recommend that money be put into the budget so your climate change plan actually delivers what you promised?

Mr. Wayne Arthurs: For the purposes of our afternoon debate here, I have to deal with the motions that we have before us, and there is a particularly problematic piece to it that will put us in a position not to support the motion as it stands, even if it were modified at this point. It's probably a point for debate on another day, I would suspect.

Mr. Peter Tabuns: Okay. A recorded vote, then.

Ayes

Tabuns.

Nays

Albanese, Arthurs, McNeely, Sousa.

The Chair (Mr. Pat Hoy): The motion is lost.

Number 35 is a PC motion. Mr. Miller.

Mr. Norm Miller: I believe Mr. Shurman put this motion. He's still up in the Legislature.

Whereas charitable organizations, like all other organizations, are experiencing challenges in attracting donations during these challenging economic times;

Whereas Ontarians are more likely to donate to charities if there was greater deductibility;

The Standing Committee on Finance and Economic Affairs calls on the finance minister to have the upcoming budget reflect changes in the status of tax credits for charitable donations to enhance the scope of what qualifies for a charitable donation tax credit.

I think we have some charitable organizations doing great work in our communities. They often bring help to those most in need much more efficiently than government does. This motion is about trying to assist those charitable organizations by increasing the deductibility. I support this, and that's the point of the motion.

1520

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: I think government has taken, as I understand, a number of initiatives in concert as well or reflecting some federal tax treatment for charitable donations. We paralleled the federal capital gains

exemption for donations of publicly listed securities and ecologically sensitive lands and also paralleled the measure for corporate minimum tax purposes, the details of which I need the bureaucrats to help with some of the breakdown. But the point is that we've undertaken some initiatives to enhance opportunities for deductions related to charitable donations, whether those are donations of public securities to charities or, in some instances, the use of ecologically sensitive land which is important to the environment in the province.

I think we've taken some initiatives. I suspect the minister will, of his own, look for others, but we won't be supporting the particular motion today.

The Chair (Mr. Pat Hoy): Any other comment? I'll put the question. All in favour? Opposed? The motion is lost.

Number 36 is a PC motion.

Mr. Toby Barrett: A motion under the title "Contraband tobacco":

Whereas contraband cigarettes' share of the Ontario tobacco market has skyrocketed from 24% in 2006 to 49% today; and

Whereas the Canadian Cancer Society, the Heart and Stroke Foundation and the Ontario Convenience Stores Association have identified contraband as the single biggest cause of increasing smoking rates among youth and adults; and

Whereas it is estimated the loss of taxes to the Ontario treasury will be $1 billion for this year;

Therefore the Standing Committee on Finance and Economic Affairs recommends the Ontario government implement legislation modeled on Quebec Bill 59 which empowers local police to enforce provisions of the Tobacco Tax Act without the assistance of other agencies like the RCMP or the Ministry of Revenue.

Certainly, in my discussions with the Ontario Provincial Police, they are restricted. Even though they see this stuff going on right in front of them, they apparently are restricted, and they cannot enforce certain aspects of the Tobacco Tax Act without either contacting the RCMP or a joint program with the Ministry of Revenue. There's a little bit of that going on, I do know, on provincial Highway 6 south of Hamilton, south of Caledonia.

The Canadian Cancer Society referred to this in its brief, which I have here. The Ontario division calls on the government of Ontario "to take swift action to curb the availability of contraband tobacco to youth and others." Their recommendations include, "empowering all peace officers, including tobacco inspectors, to seize illegal tobacco and lay charges or assess penalties for unpaid tax."

I know in their appendix they again see this as a way of increasing enforcement province-wide. In the present situation, local police cannot take action in certain circumstances or have to wait for enforcement from another jurisdiction to arrive. They say, "Unfortunately, this leads to delays and often the illegal product has been moved by the time law enforcement arrives."

The Chair (Mr. Pat Hoy): Further comment? Mr. Arthurs.

Mr. Wayne Arthurs: It's clearly a complex problem, one which government has made efforts to address. We've seen convictions double in the past year. There have been enhanced enforcement measures ever since 2003. Penalties assessed against those who are violating the tax act have totalled, in the past two years, over $9 million. Given the quantum, that probably sounds like a little bit of money, but the point being that a lot of effort has been made. This is a matter that obviously requires multiple jurisdictional efforts: federal, provincial and local, in some cases; border services is part of the overall federal scene, along with the RCMP.

Clearly we need the federal government to be a strong partner in finding the right solutions for Ontario. There's no guarantee in Ontario that Quebec legislation is the right model to achieve the end results. There may be a model that does that; there may not be. Quebec Bill 59 may provide some guidance, if legislation was desired at this point in time. But for the government caucus to recommend the implementation of Quebec Bill 59 would be inappropriate at this point in time. We certainly need to be looking at the matter, looking to opportunities, but a particular piece of legislation would not be something that the government caucus would want to recommend to the minister or the government.

The Chair (Mr. Pat Hoy): Mr. Miller.

Mr. Norm Miller: It sounds like the government is going to vote this down. I would just hope that they would seriously look at this. We have a huge problem in Ontario and we're about the worst in the country, I think.

I believe what this motion is intent on doing is just removing an impediment that the police currently have, in that if they want to lay a tobacco charge, they have to find a Ministry of Revenue person to somehow be with them or give them authority. That's an impediment to being able to enforce the law.

I hope the government will look at this, because we've got a big problem in the province of Ontario. It affects people's health; it affects the revenues for the province; it affects the ability of the government to have programs that work, if half the cigarettes in the province are illegal cigarettes, contraband cigarettes.

The Chair (Mr. Pat Hoy): Any other comment? I'll put the question. All in favour? Opposed? It's lost.

Number 37 is a PC motion.

Mr. Toby Barrett: Under the title "Universities":

Whereas professors are not required to be formally trained as teachers, even though they spend countless hours in the classroom; and

Whereas many Ontario universities already have departments that focus specifically on improving the teaching ability amongst faculty;

Therefore the Standing Committee on Finance and Economic Affairs recommends the Ontario government establish a small number of teaching chairs to increase the quality of and focus on teaching, and the provincial government fund pilot projects to give formal instruction in teaching methods and practices to Ph.D. students.

This was put forward by the Ontario Undergraduate Student Alliance. They had a number of pieces of advice. They were fairly specific: five pilot projects, which would give formal instruction in teaching methods and practices to Ph.D. students, and a small number of teaching chairs to increase the quality of and focus on teaching.

They indicated that, in some courses, in some universities, the students do grade the teachers. They do have the ability to vote with their feet and select courses where those kinds of options are available.

Having taught at all three levels, and having experienced some bad teachers in the university system, I just thought it would be appropriate for some kind of a suggestion to people in the system that research is important, but the students are important as well. There are a lot of excellent university teaching professors, but according to these students, there are some that could use some help.

When they talk about training for Ph.D. students, that may refer to teaching assistants, although many people with undergraduate degrees get jobs as teaching assistants as well. So I like the direction.

The Chair (Mr. Pat Hoy): Mr. Arthurs.

Mr. Wayne Arthurs: Chair, I guess our afternoon is quickly drawing to a close. This is the last recommendation we have before us.

The government supports the motion brought forward by the member opposite in respect to providing a methodology for the establishment of a small number of teaching chairs to provide a better quality of teaching for our university students, whether those are the professors or the Ph.D. students.

He referenced the Ontario Undergraduate Student Alliance, which we heard from. That presentation was also in part repeated by the Alma Mater Society of Queen's University; we were in Kingston. So we heard it from two different fronts.

All of us, or many us, have had experience with post-secondary education in one capacity or another, and probably understand as well that a lot of the focus there was on research but maybe not enough training on teaching style and teaching capacity that we see in the elementary and secondary systems.

We think it's a good recommendation and are pleased to support the member.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Norm Miller: Maybe I'll have to vote against it.

Interjections.

The Chair (Mr. Pat Hoy): I'll put the question. All in favour? The motion is carried.

Now I have a series of questions for the committee.

Shall the report, including recommendations, carry? Carried.

Shall the Minister of Finance receive a copy of the final report, with dissenting opinions, prior to the tabling in the House? All in favour? Carried.

Shall the Chair sign off on the final copy of the draft? Agreed.

Shall the report be translated? Agreed.

Shall the report be printed? Agreed.

Shall the Chair present the report to the House and move the adoption of its recommendations? Carried.

I would just provide this information: If there is a dissenting opinion, it is due to the clerk by Monday, March 1, at 4 o'clock.

Thank you very much. We're adjourned.

The committee adjourned at 1530.

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